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DEATHS.

At the Peak Hospital, on Saturday afternoon, R. H. M. KERR, of the Hongkong and Shanghai Bank, age 83. [1706]

At Kobe, on the 11th July, after a long illness, EDWARD HUNT, in his sixtieth year.

ARRIVALS OF MAILS.

The English mail of the 26th June arrived, per P. & O. steamer *Mirzapore*, on the 25th July (29 days); the American mail of the 27th June arrived, per P. M. steamer *City of Rio de Janeiro*, on the 27th July (30 days); and the German mail of the 29th June, arrived, per N. D. L. steamer *Sachsen*, on the 28th July (29 days).

EPITOME OF THE WEEK.

Mr. George F. Smithers, Deputy Consul at Kobe, has been appointed United States Consul at Chungking.

M. Hass, the Austrian Consul-General at Shanghai, was drowned on the 27th July while bathing at Pootoo.

The German gunboat *Ilis* was lost in a typhoon on the Shantung Promontory on the 23rd July with a loss of 77 lives, only 10 being saved.

A telegram has been received by the Japanese Government announcing that M. Hitrovo, Russian Minister to Tokyo, who went home on a holiday a few months ago, has died suddenly.

News has been received by wire from Calcutta that the Government has reduced the pass duty on Malwa opium from 650 to 600 rupees.—*N. C. Daily News*.

From the Manila *Comercio* we learn that a syndicate has been formed in Paris for the construction and working of railways in the Philippines.

The Secretary of State has declined to exempt any portion of the Hongkong revenue, municipal or otherwise, from the payment of 17½ per cent. as military contribution.

The "Glen" line steamer *Glengyle*, with the first of the new season's tea from Foochow, arrived in London on the 13th inst., having made the run home in 34 days and 22 hours.

The *N. C. Daily News* says:—A fair amount of teas by the *Oanfa* have been sold already in London, the finer kinds showing small profits; the commoner kinds are not doing so well.

The statement that the Japanese authorities have accorded a preferential treatment to Chinese junks over foreign steamers in connection with the importation of opium into Formosa is officially denied.

It is reported that Liu Kun-yi has been appointed to the viceroyalty of Shen Kan for the purpose of waging war against the Mohammedan rebels, and that he will be again succeeded as Viceroy at Nanking by Chang Chih-tung.

Messrs. Alex. Biefield & Co., in their report dated Shanghai, 24th July, say:—New ventures are being discussed and progress is in the air. A Wheat Flour Mill Co. is being formed with a strong directorate to mill native wheat in modern fashion, and a new Dock and Engine Works is also to be started with a directorate partly foreign and partly native.

It is reported that the solution of the difficulty at Chefoo which has been evolved by the Inspector-General of Customs has been accepted by the foreign Ministers at Peking. The disputed foreshore is to be dredged and made available for boats, and a bund is to be built which will be for everyone's convenience, but what further disposition is contemplated is not yet known.—*N. C. Daily News*.

The report of the Hongkong, Canton and Macao Steamboat Co., Limited, for the last half year shows that including \$5,064 brought forward from last account, the sum of \$143,302 stands at credit of profit and loss account. From this amount the directors recommend that a dividend for the half year of 8 per cent. on capital, or \$96,000, be paid to shareholders, and that the balance of \$47,302 be carried forward to new account.

A correspondent at Soochow mentions, under date the 23rd inst., that malicious and dangerous rumours are being circulated there. It is said that someone dressed in foreign clothes has been telling the country people that children are required to be sacrificed before the chimneys of the factories there can be built, and that foreigners in Soochow are stealing children. It is even stated that villagers from outside some of the gates of Soochow have fled from their homes in consequence of these rumours, and that there has been a notable falling-off in the attendance at the missionary schools.—*N. C. Daily News*.

The report of Boyd & Co., Limited (Shanghai), for the year ended 30th April last, shows that the net earnings, including amount brought forward from last account (Tls. 9,758) and interest on investments (Tls. 7,348), stand at Tls. 259,867, less Tls. 2,300 for directors' fees. It is proposed to add Tls. 60,000 to reserve fund, to place Tls. 20,000 to maintenance and depreciation account, to pay a dividend of 15 per cent. on the ordinary shares, a dividend on founders' shares of Tls. 117 per Tls. 100 share, and to carry Tls. 37,167 to new account.

According to a Tokyo press despatch, the new treaty with Germany was approved by the Japanese Privy Council on the 11th inst. and immediately ratified by the Emperor. The ratifications will be exchanged at Berlin. The provisions relating to patents and trade marks in the new treaty will be put into operation immediately after the exchange of ratifications.

Admiral Sir Leopold Heath has been elected Chairman of the Eastern Extension Australasia and China Telegraph Company in place of the late Sir John Pender. As regards the Eastern Telegraph Company, the Marquis of Tweeddale is elected Chairman in the same succession and Mr. Denison Pender, the Managing Director, becomes Vice-Chairman.

In reference to the insurrection in the prefecture of Hsüchou, near the Yellow River, it is reported that the Imperial troops now on the scene of disturbance, including those sent by the Viceroy Liu in the beginning of this month, have been, so far, unable to cope with the insurgents. This can be gathered from the telegram received on Saturday from Soochow by the local mandarins to the effect that Yuan Taotai of Hsüchou has appealed to Governor Chao of Soochow for reinforcements and declaring that the "situation is serious." The Hupeh insurrection at T'ungch'enghsien, in the prefecture of Wuchang, has, in spite of the reinforcements sent by the Viceroy Chang, gained ground, and the Imperial Government appears, at the present moment, to be face to face with the problem how to crush a series of insurrections in various portions of the Empire, not including the Mahomedan rebellion in Kansu and the one lately begun in Szechuen amongst the Miaotse aborigines.—*N. C. Daily News*.

Some time ago Tonkin contracted a loan of eighty million francs. The money has all been appropriated and now the *Avenir du Tonkin* wants to know what there is to show for it. According to our contemporary it has all been frittered away on useless official buildings and so forth, the only useful work the colony will have to show for the loan being the proposed railway from Hanoi to the Chinese frontier. Works are required for the prevention of floods and for establishing a system of irrigation, which, if carried out, would, our contemporary says, in a very short time make Tonkin as fruitful as Cochin-China in the best years. There would then be available for export every year twenty million piculs of rice. Plans have been prepared, but their execution will cost forty millions, and M. Rousseau, the Governor-General, who regards the proposal as urgent, is of opinion that the Chambers should be asked to authorise the raising of another loan. M. Rousseau proposes to go to Paris again in a couple of months to urge the project in person.

THE MILITARY CONTRIBUTION.

Mr. CHAMBERLAIN has treated the representations made to him with respect to the military contribution with scant consideration; and there appears now no hope whatever of our grievance securing redress. Had we had a Municipal Council administering a revenue raised by itself there is no doubt that such revenue would have been exempted from payment of the 17½ per cent. levied on the general revenue of the colony for military contribution; in fact it would never have occurred to any one to include it, any more than in the cases of the Straits Settlements, Ceylon, or Mauritius. But in Hongkong unfortunately there is no distinction made between municipal and general revenue; both go into the same account and are treated as colonial revenue, and the 17½ per cent. having once been calculated on the gross sum the home Government declines now to make any rebate or to interfere in any way with the most inequitable arrangement arrived at. Had the matter been represented, as it ought to have been, when the whole question was under the consideration of the inter-departmental committee at home it is possible some concession might have been secured for the colony, but the point was not officially brought forward then, and judgment having been delivered the Colonial Office now declines to move for a re-opening of the case or variation of the decision. To do so would involve a great deal of trouble, and we suspect that that is the main reason why the officials of the Colonial Office decline to do anything in our behalf. When the Bill is brought forward in the Legislative Council making the military contribution of 17½ per cent. a permanent charge on the annual revenue the unofficial members will naturally vote against it, but the measure will be carried by the official majority, and there the matter will end, for nothing more can be done. A policy of resignation, if it might otherwise have been considered desirable, would now be out of place, because the unofficial members of Council in their memorandum, instead of confining themselves to urging the exemption of municipal revenue from the mulct, weighted their argument with a number of side issues which will not stand the test of examination. If they now resigned on the question their action would not produce any effect in England, for the home Government would naturally direct attention to the weak side of the case put forward, and the resignation would present itself to the impartial home reader as unreasonable.

H.E. the Governor in forwarding the memorandum to the Secretary of State has followed to a great extent the line adopted by the unofficial members, the major portion of his despatch being devoted to an argument in favour of the exemption in whole or in part of the postal revenue. The argument could carry conviction to no one; it is mere sophistry, a splitting of hairs, and altogether unbusiness-like and impracticable. As Mr. CHAMBERLAIN remarks, most of the arguments advanced by His Excellency on this point would apply equally to several other heads of revenue, e.g., harbour receipts, court receipts, and water receipts; all of which might in one sense be regarded as reimbursements in aid of expenditure. The right hon. gentleman might have gone further and said that the arguments advanced would apply equally to revenue in general, and that if the 17½ per cent. were levied only on the revenue remaining after the payment of all expenditure there would be nothing left to levy it

on, for the colony's finances are not supposed to be run on the lines of a commercial undertaking seeking to show a large balance at the credit of profit and loss account. The contention that the 17½ per cent. if levied at all should be calculated on the gross colonial revenue strikes us as unassailable. The strong point in the colony's case is that a sharp line of distinction should be drawn between colonial revenue and municipal revenue, and it is much to be regretted that the case has been weakened by the introduction of extraneous and irrelevant matter. As to the exemption of municipal revenue, Mr. CHAMBERLAIN declines to further discuss the point and refers us to his despatch of the 26th October last. On turning to that despatch we find nothing in the shape of genuine argument. We are told that the area of the Straits Settlements is more than fifty times as great as that of Hongkong while the gross revenues are less than three times those of Hongkong, and that therefore Hongkong ought to pay on its municipal as well as its colonial revenue although in the Straits municipal revenue is exempt, a contention in which we think the keenest intellect will fail to find a scintilla of reason or logic. In fact it is quite impossible to adduce any logical argument in favour of including municipal with colonial revenue in calculating the amount of the military mulct, and had the two not been amalgamated owing to our unfortunate system of government no one would ever have thought of making the former liable for the military contribution.

**FOREIGN COMPETITION WITH
BRITISH TRADE IN CHINA.**

Rather an optimistic view of the position of British trade in China is taken by Mr. JAMIESON, the Consul at Shanghai, in his report for 1895. He gives a table showing the value of the imports into Shanghai, and the origin of the goods imported, during the years 1882, 1893, 1894, and 1895. In 1882 the imports from Great Britain amounted to Tls. 18,271,000 and in 1895 to Tls. 32,650,000. The total from Great Britain, Hongkong, India, the Straits, and British America amounted to Tls. 43,799,000 in 1882 and to Tls. 78,409,000 in 1895, while the imports from all other countries amounted to Tls. 11,194,000 in 1882 and to Tls. 20,423,000 in 1895. These figures, Mr. JAMIESON says, afford little countenance to the idea that has been disseminated in various quarters, namely, that our trade is being driven out of the neutral markets of the world by German and other foreign competition. In 1882, the proportion of the total off-take of the Shanghai market supplied by Great Britain or her colonies was 79 per cent., in 1894 it was 76 per cent., and last year it was again 79 per cent. "From all I can hear," the Consul goes on to say, "there is not the faintest reason to suppose that in ordinary mercantile business we are in any more danger from German competition than we were twenty years ago. Competition there is, no doubt, and it is natural and inevitable it should be so, but it is mostly confined to the minor articles of trade, such, for instance, as needles, matches, dyes, lamp-ware, etc." This, it will be seen, agrees substantially with the recently published report of the Hongkong Committee appointed to inquire into the displacement of British goods, though the facts are rather differently emphasised. On further examination, however, we do not find the statistics quite so gratifying as Mr. JAMIESON's remarks and the figures selected by him

would represent them. The position can be gauged more accurately by taking the figures for the whole of China than by taking those for Shanghai alone. It is also rather misleading to take the year 1882 for the purposes of the comparison, seeing that a notable "slump" took place in the import trade of China in that year and was not recovered until three years later. Exception too must be taken to Mr. JAMIESON's method of treating the trade of Hongkong, which might lead the home reader unacquainted with the actual circumstances to suppose that it was actually all British trade. Hongkong is a British colony, but it is also an emporium for the trade of all nations, and the mere fact that Continental and American goods are first landed here and afterwards shipped to China does not give us a right to count them all in as British trade. In the Chinese Customs Returns this false presumption is guarded against by a footnote explaining that the imports from Hongkong come originally from Great Britain, America, Australia, India, the Straits, and other countries. It is, furthermore, a mistake to count the Indian and Colonial trade as British, for the purposes of the argument on which Mr. JAMIESON's remarks bear, the Indian yarn trade, for instance, being a rival, not an auxiliary, of the Lancashire yarn trade. When we speak of British trade being driven out of the neutral markets of the world, the reference is to the trade of the British Isles, not to that of the British colonies and dependencies.

Mr. JAMIESON says we are in no more danger from German competition than we were twenty years ago. Let us look, then, at the figures as they stood twenty years ago. In 1875 the imports into China from Great Britain were valued at Tls. 21,132,640, and those from the Continent of Europe at Tls. 766,207, the former being therefore more than twenty-seven times as great as the latter. In 1895 the imports from Great Britain were valued at Tls. 33,960,060, and those from the Continent at Tls. 7,552,099, so that British imports were in that year less than five times as great as those from the Continent. Of the imports from Hongkong it is impossible to say what value British goods and Continental goods amounted to respectively, but we fear the proportion would not work out more favourably to the former than in the case of direct imports. It may be urged that of the goods entered as British in 1875 a portion was really Continental; but was entered as British because the goods were received via Great Britain, there being few facilities for direct shipments from the Continent to China at that time. What amount of correction the figures should be subjected to on this account it is impossible to determine, but on the other hand it may be urged with equal force that the enormous growth of the shipping trade between Continental ports and China which has taken place of late years is itself an indication of an equally remarkable increase in the exchange of commodities. The increase in the trade of other countries does not mean that England will very soon have to put up her shutters, but it does mean that competition is all the time becoming fiercer, and that it is not correct to say, as Mr. Consul JAMIESON does, that we are in no more danger from German competition now than we were twenty years ago. It may be that as yet the competition is mostly confined to the minor articles of trade, such, for instance, as needles, matches, dyes, lamp-ware, etc., but it is steadily working further and further in, attacking one article after another, and will

soon reach the leading lines of trade. While differing from Mr. JAMIESON in his appreciation of the extent of Continental competition with British imports in China, however, we must congratulate him on having produced a very interesting, suggestive, and valuable report, which we would commend to the attention of all in any way concerned with the China trade.

THE OPENING OF NEW PORTS AND THE TRANSIT PASS TRADE.

When the opening of the West River takes place it is not improbable that after the first rush some disappointment may be felt, for new trade openings are generally rather overdone at first and it takes some little time before things settle down and development assumes a normal course. In this connection we find some interesting remarks in the report of Mr. TRATMAN, Acting Consul at Chungking, on the trade of that port for last year. "In 1892," Mr. TRATMAN says, "when the effect of the partial opening of the port was first felt, there was a rush of imports, with the result that the market was overstocked, and in 1893, with one exception, a decline in all goods is noticeable. In 1894, with two or three exceptions, a further decline took place, which is to be attributed to the serious fluctuations in exchange. In 1895 there is a general and encouraging recovery. Exchange has been steady, with a slight tendency to rise, and this has inspired importers with a confidence which shows itself in the returns. 1895 may be taken as a normal year, and, if conditions remain unchanged, may be safely used as a basis for future comparison." Elsewhere Mr. TRATMAN speaks of the result last year being extremely encouraging, and adds, "If it has been attained in face of the various disabilities under which Chungking at present labours, what may not be expected when the port becomes in the true sense an open one?" He also expresses the hope that in the near future foreign representatives of the various firms will replace the present native agents and take free advantage of the privilege which the treaty offers them in the matter of transit passes.

The experience of Chungking, partial as the opening has been, ought to stimulate the Foreign Powers to press for the opening of more ports and trading stations on every possible occasion. In tracing the development of the trade it is necessary to take the Customs returns of Ichang, as all the goods for Chungking are transhipped there into junks and are included in the first instance in the imports at that port. In 1890, the year before the nominal opening of Chungking, the import of foreign goods at Ichang amounted to Tls. 3,437,136, and for the succeeding years the figures are as follows:—1891, Tls. 3,702,240; 1892, Tls. 6,091,517; 1893, Tls. 3,914,265; 1894, Tls. 4,898,481, and 1895, Tls. 5,721,633. The trade last year was therefore 66 per cent. greater than the year before the opening of Chungking, and the increase must be ascribed mainly to the greater facilities and greater freedom from squeezes under the new arrangement. In the Kwangtung province the proportional increase in trade that would follow the opening of new ports would probably be very much greater than this, for before the opening of Chungking to foreign trade goods were conveyed from Ichang to that port under transit pass, whereas in the South the transit pass system is as yet practically non-

existent, though efforts are now being made to compel the officials to comply with the provisions of the treaty.

It has recently been urged, "in quarters where ripe knowledge might have been expected," that the transit pass is as much a snare and delusion in North China as it is down here in the South. The fact is, however, that the revenue from transit dues last year was greater than it has ever been before, with the exception of the years 1890 and 1891, being no less than Tls. 521,000. It is not to be supposed that merchants would pay dues to that extent, covering, say, Tls. 20,000,000 worth of goods, if they did not derive some advantage therefrom. In the South, however, the benefit of transit passes is denied, which makes the opening of new ports and trading stations of even greater importance than it is in the North, where, if the system does not work perfectly, it nevertheless offers substantial advantages. It has not yet been introduced for districts beyond Chungking, but from Mr. TRATMAN's remarks quoted above it will be seen that that officer considers that when it is introduced trade will materially benefit thereby.

THE INSURRECTIONARY MOVEMENTS IN CHINA.

The Chinese Government seem likely to have some little trouble in quelling the rebellions in Kiangsu and Kansuh unless they act with vigour and promptitude. As we have on previous occasions pointed out, there is little chance of any insurrection in China proving successful or even formidable if the Imperial Government only take care to nip it in the bud. The insurgents are invariably badly provided with funds, have few arms, and possess no organisation. Imperfect, therefore, as the organisation of the Imperial troops undoubtedly is, inferior as the arms used often prove, and gross as the corruption in the military administration is known to be, they are immeasurably superior in arms and even discipline to the untrained mobs that are hurled against them. But there is such a thing—as British commanders among others have found out ere now—as unduly despising the enemy. In Kiangsu the Taotai who has charge of the troops appears to be quite unable to meet the foe, and he is practically shut up with about two thousand troops in the town of Hsuehchow. Meanwhile the rebels are every day increasing their numbers and strengthening their position. The rebels have lately been joined by upwards of three thousand local banditti, and if the prospect of plunder seems good, this number will no doubt soon be largely augmented. It is also stated that if the rebels can manage to keep the Imperial troops shut up in Hsuehchow they will march on Yangchow. Meantime, another rising is reported to have taken place in Hupeh, where the granaries have been looted and the insurgents have defeated the Imperialist troops. Unless the reinforcements sent by the Viceroy CHANG CHI-TUNG soon reach the scene of trouble there can be little doubt the area of the last named rebellion will quickly widen.

The necessity for severe measures seems, however, to have been recognised in the North-west, for the latest news from Kansuh is to the effect that General TUNG FU-HSIANG, in obedience to orders from Peking, has commenced a massacre of all the Mahomedans he meets. At Hsining-fu he is said to have slaughtered three thousand men and sold their wives and female children into slavery. These were the tactics resorted to in the suppression of the great Mahomedan rebellion in Yunnan, where a war of

extermination was so ruthlessly carried on that half the province was laid desolate, and vast districts full of ruined towns and wasted fields still attest—more than twenty years later—the thoroughness with which the Imperial orders to kill and spare not were carried out. These severities, however, may have the opposite effect to that which they are intended to produce. Instead of daunting the rebels they may render them desperate, and they are said to be meditating the declaration of a holy war, in which event, it is alleged, the Mahomedans across the Russian frontier have promised their aid. If a Jihad be declared by the Central Asian Mahomedans, it might prove difficult for the CZAR to restrain their fire, and it might even be found necessary for Russia to intervene on behalf of the followers of the Prophet in China. The Chinese Mahomedans can fight if they receive encouragement, and they could be turned into useful allies by any Power having schemes of aggression in China. It will be well therefore for the Chinese Government to set to work to pacify the country, not by means of exterminating the discontented, but by redressing their grievances, by putting down brigandage where it really exists with a firm hand, and by abolishing unjust squeezes. If China is to exist much longer as an independent Empire, the Central Government at Peking will have to exercise their capacity for administering, and not merely to show, by brutal wholesale massacres, that they have power to punish disloyalty. There is unfortunately too great a similarity between the methods adopted by the Sick Man of Europe and the Sick Man of Eastern Asia in the suppression of revolts.

PEKING'S FINANCIAL DEMANDS ON THE PROVINCES.

The report, said to have emanated from Peking, to the effect that the Emperor KWANG SU is about to call upon the Customs Taotais, Viceroys, and Governors in each province to contribute five million taels towards paying off China's indebtedness to Russia is surely a fabrication. It is true that the poorer provinces such as Kweichow and Kansuh are to be excused from the payment, but the rest, it is intimated, will gladly find the necessary funds, by which means it is hoped to raise a hundred million taels, out of which the Russian loan might be liquidated. But, on the other hand, the provinces are not overburdened with cash, and if new revenue is to be raised of necessity it will not easily be realised by the mandarins. The Chinese Government will not increase their power or their prestige by such an act, and are very likely to fail altogether in exacting compliance with the demand, which it is said was made on the recommendation of the Board of Revenue. The provincial authorities are often incapable of paying the expected contribution to Peking and frequently send memorials begging to be excused some portion of the amount, occasionally pleading inability to make any contribution at all to the Imperial exchequer. As a rule, if the taxes and duties were honestly collected, there would be no great difficulty in any province, except two or three in the far south and north, in making up the required amount. But there is a vast and universal system of squeezing and such a locust-like army of officials and hangers-on to every yamen that it is impossible to satisfy their clamour without too grievous acts of oppression. If this alleged demand for five millions of taels be insisted upon there will be a terrible turning on of the screw, which

will probably have at least two unpleasant results. The trade of the country will be strangled by the multiplied exactions heaped upon it, and there will be insurrections and (or) riots in various parts, if indeed they do not assume a more pronounced form in the shape of a revolt against the dynasty. The people in several of the provinces are already not too well affected to the Ta-tsing dynasty, and if they are ground down under a load of taxation too heavy to be borne they will be likely to follow the first leader who calls for the subversion of the authorities. Meantime, the policy of imposing such a tax as this demand indicates is extremely bad, inasmuch as it will only tend to destroy the revenue by drying up the sources from whence it is usually obtained. The true policy to be pursued at Peking is to open up the country to trade and thus bring about such a natural expansion of the normal revenue as will soon enable China to pay off her indebtedness.

ANOTHER VETERINARY SURGEON WANTED.

The Government has declared its conviction that an Assistant Veterinary Surgeon is not necessary. We have an Assistant Colonial Secretary, Assistant Registrar-General, Assistant Harbour Master, and Assistant This, That, and the Other, all of whom might be dispensed with without any detriment to the public service, but when it comes to a question of safeguarding the live stock and food supply of the colony we are told that an Assistant Veterinary Surgeon is not necessary because there would be nothing for him to do. That might be a very good reason for not making the appointment if we could have a guarantee that the Colonial Veterinary Surgeon himself would never be absent from the colony; but unfortunately Mr. LADDS has been absent during one very grave crisis and what has happened once may happen again and ought, as a matter of common prudence, to be provided against. The Government, however, adopts the view of the Secretary of the Sanitary Board, who writes, "The mere fact that a trading company has been so unfortunate as to lose 'by far the greater number of their milch cows does not seem to me a reason why the ratepayers of the colony should be saddled with the salary of an officer whose post would be for all practical purposes a sinecure.' A mere trading company perhaps could not expect much assistance from the Government, though it is to be noted that at one time the attitude of the Government to the particular trading company referred to was somewhat different from that now assumed and a valuable piece of Crown land was most unwarrantably presented to it for a town depot, an appropriation of public property to private purposes that could not have occurred under a municipality.

We are concerned, however, not with the past, but with the present and future. The question that presents itself is, whether it is safe and prudent that the colony should be left for lengthened periods without any veterinary surgeon within reach. If it were merely the pecuniary interest of the dairies that had to be considered it might be said with some reason that the proprietors should be left to make their own arrangements to guard against the risk of losing their cattle by disease. But the matter cannot be discussed on that narrow ground. Regard must also be had to the public health aspect of the question, to the necessity of keeping up

a good and ample milk supply and of guarding against the introduction of cattle disease of any description into the colony. In England cattle imported from abroad are subjected to inspection upon landing, and it would rather astonish the people at home if it were suggested that the inspection might be suspended every sixth year while the officials responsible went away to play, or to study bacteriology, or for any other purpose; but that is virtually the position taken up by the Government of Hongkong. If it is necessary to have a Colonial Veterinary Surgeon at all surely it is as necessary one year as another. The public interest demands, therefore, either that the Colonial Veterinary Surgeon should never go away on leave, or that there should be an Assistant Veterinary Surgeon to take his place during his absence. The first alternative is impracticable and we are therefore thrown back on the second. In most other departments assistant heads are unnecessary, because when the chief goes away anyone can step into his shoes and perform his duties, but a veterinary surgeon is a specialist whose place can only be taken by some one who has had the same training as himself. As to finding work for two veterinary surgeons when they were both in the colony, seeing that the management of the public slaughter houses and markets is attached to the department we think they need never be in want of something to do.

If the suggested appointment be made it would perhaps not be unreasonable to call upon the various dairies in the colony to contribute to the extra expense in proportion to the average number of cattle kept by each, for we see no more reason than Mr. MCCALLUM why these establishments should be provided with veterinary attendance at the cost of the public. As a matter of fact, the Dairy Farm Company did actually pay an annual retainer to Mr. LADDS up to the time he went on leave. All the other dairies might be called upon to pay in like proportion and the fees be accounted for to the Government, as is done in most other departments. If the dairies were all willing to contribute it might pay a private veterinary surgeon to establish himself in practice here, but many of the dairies are in the hands of Chinese, who would contribute nothing except under compulsion, so that it seems necessary for the Government to move in the matter. It could not be expected that any of the dairies under European management should themselves maintain a veterinary surgeon, because in case of an outbreak of disease in other dairies his services could not possibly be refused if they were asked for, and it would therefore amount to one Company maintaining a veterinary surgeon for the colony at large.

THE PENSION LIST.

When the Colonial Secretary informed the Hon. T. H. WHITEHEAD that the amount by which payments on account of pensions in 1895 exceeded the estimates was due in part to exchange fluctuations he must surely have been speaking without any consideration of the facts of the case; the variation in the rate of exchange merely striking him on the spur of the moment as a possible explanation. The fact is that in framing the estimates the dollar was taken at 2s. 1d., whereas the average rate for the year was 2s. 1½d., so that there ought to have been a saving instead of a loss on exchange. It is true the Treasury rate, at which the military contribution has to be paid, averaged 2s. 0½d., but in dealing

with payments made through the Crown Agents, such as pensions, the Government presumably gets the benefit of the current Bank rate. If not, the question suggests itself, into whose pocket does the difference go? Is it a perquisite of the Crown Agents? But even if all the pensions payable in sterling had been paid at the Treasury rate the difference between 2s. 1d. and 2s. 0½d. would have worked out at considerably less than \$1,000; whereas the amount paid in excess of the estimates, and which attracted Mr. WHITEHEAD's attention, was \$18,776. The real explanation is that new pensions to that amount became payable during the year, and fluctuations of exchange had little or nothing to do with the matter. From Mr. WHITEHEAD's question we should judge that he is not quite familiar with the principle on which the estimates are framed, and it would have been more to the purpose if Mr. LOCKHART had enlightened him, and the public, instead of bending his energies to make it appear that Mr. WHITEHEAD was at sea on a question of exchange, on which, as it happened, Mr. LOCKHART was at sea himself. When a certain sum is put down in the estimates for pensions it is not expected, we take it, that the amount will be sufficient for the purpose, no account apparently being taken of new pensions that may become payable during the year, except those which have already been applied for. Every year, therefore, the estimated amount payable for pensions is exceeded.

The steady and rapid growth of our pension list is a subject that seems to call for serious attention. Ten years ago the amount paid under this heading was \$36,252. Last year this sum had grown to \$112,776, which amounts to one-twentieth of the total revenue of the colony. Exchange is responsible for a large part of this increase, say one-half, but making allowance for that, the increase is still remarkable. On looking down the list of pensioners we are struck by the large number who have retired on account of ill health. It is perhaps inevitable that a pension system should give rise to abuses, but in this matter of alleged ill health as a cause for claiming pensions we think the taxpayers of Hongkong have just ground of complaint. The climate is no doubt trying to some constitutions, but in non-official life we do not observe anything approaching the proportionate number of retirements on account of ill-health that are to be found in the public pension list; and if a gentleman enters the Hongkong service and finds after a few years that the climate does not agree with him we do not see that the taxpayers should be called upon to pay him a large pension for the remainder of his life if he is well enough to earn a living for himself elsewhere. Take the case of the Rev. W. JENNINGS, for instance. The rev. gentleman comes to Hongkong, serves for a few years as Colonial Chaplain, retires on the ground of ill health, obtains a very desirable living at home, discharges his parochial duties, and draws a pension of £250 a year from this colony. One of the oldest of Hongkong pensioners is Mr. CHARLES ST. GEO. OLEVERLY, whose present age is entered officially as "unknown." This gentleman was Surveyor-General, but retired on account of ill health, and since 28th April, 1865, that is, for more than thirty-one years, he has been drawing a pension from Hongkong of £400 a year. Whether he has added to his income by practising his profession we do not know, but a year or two ago he came out to pay a visit to the colony which has treated

him so liberally, and he was then apparently hale and hearty, as it is to be hoped he will long continue, but we cannot see on what principle of equity the payment of the large amount of money he has drawn from Hongkong tax-payers can be justified. Another case is that of Dr. WHARRY, who retired on account of ill health in 1887, established himself in practice at San Francisco, and is drawing a pension of £230 a year from Hongkong. We notice, too, that Sir E. L. O'MALLEY's name still appears in the list as drawing \$720 a year (the contribution of this colony towards the pension on which he retired when Chief Justice of the Straits), although he has rejoined the service and now holds the appointment of Chief Justice in another colony. It is hardly conceivable that he should be drawing pension and pay at the same time, and it is presumably by error that his name still appears in the list. With regard to retirement on account of ill health, however, it seems to us that a distinction might not unreasonably be made between cases of permanent breakdown and those in which the sufferers are in a condition to earn their own living on being transferred to another climate. Out of sixty-nine pensioners on the general list, as distinct from the police pension list, forty-two are entered as having retired on account of ill health. If inquiry were made we think it would be found that the majority of them are now quite well and that a considerable number are earning an income by their own labours independent of their pensions.

ENGLISH TEACHING IN HONGKONG SCHOOLS.

The Inspector of Schools in his report for last year makes some interesting though rather inconclusive remarks on the question of promoting English education amongst the native population of Hongkong. The vast majority of the residents of this colony being Chinese, and having neither domestically nor commercially any use or demand for any but Chinese education, the nature of the education given in the majority of local schools is largely confined to the teaching of the Chinese classical language. This, Dr. ERTEL says, has considerable educative value, though it limits the mental and moral vision to the horizon which confined the mind of CONFUCIUS twenty four centuries ago, cramps the intellect, stunts the growth of moral feeling, and bends the will into antagonism to everything non-Chinese. In the grant-in-aid schools this is happily balanced by the teaching of Christianity and by the spirit of modern civilisation, but, the Head of the Education Department goes on to say, those local schools (grant-in-aid schools and Government schools) which give a European education in the English language "have neither books, nor methods, nor organisation suitable for the mass of the Chinese children of this colony. This defect is strongly felt by the Chinese population, and restrains the growth of a popular demand for an English education on the part of Chinese residents. Not until this defect is remedied will there be any possibility of accomplishing the desire which at present animates the Government, viz., to promote English rather than Chinese education among the native population of Hongkong. During the year 1895, two-thirds of our local schools gave a Chinese education and one-third a European education." In another paragraph Dr. ERTEL says, "It is to be hoped that managers of grant-in-aid schools will see

"their way to adopt, more extensively than they have hitherto done, the plan of seeking to elevate the Chinese people of this colony by means of English rather than Chinese teaching." This seems rather a "large order" in view of the fact that the schools have neither the books, nor methods, nor organisation suitable for the mass of Chinese children. Dr. ERTEL might usefully, we think, have indicated in what respect the books, the methods, and the organisation are defective, in order to point the way to improvement. But, as the learned doctor says, the vast majority of the Chinese residents of this colony have neither domestically nor commercially any use or demand for any but Chinese education, and that being so it would seem that the efforts to promote English education may be carried to extremes. Every possible facility and reasonable encouragement ought to be afforded to those who desire to study English, but on the other hand the withdrawal of the grant-in-aid from schools which do not teach English appears to us a mistaken policy. To the Chinese an education in their own language is essential and no official impediment ought to be thrown in the way of their obtaining it. If in addition to their own language they can be induced to study English so much the better, but if neither the necessary books, nor methods, nor organisation for that purpose are in existence steps ought to be taken by the Government to supply the want.

THE MISSING DESPATCHES.

The reply of the Colonial Secretary to the Hon. T. H. WHITEHEAD's question with reference to the missing despatches on the constitutional reform question is an example of what is termed diplomatic language. Mr. WHITEHEAD asked if there was any correspondence in existence from the Colonial officials to the Home authorities and vice versa between the 23rd August, 1894, the date of Lord RIBON's despatch, and the 29th May, 1896, the date of Mr. CHAMBERLAIN's despatch on the subject, and if so, would the Government lay it upon the table; if not, why not. The reply of the Colonial Secretary was that the Government had no further correspondence to lay upon the table, all public correspondence having already been laid. That means, as we read it, that there has been correspondence, but that it is not of a nature which it pleases the Government to make public, and that it is therefore to be treated as private or confidential. If there had been no correspondence whatever Mr. LOCKHART would naturally have answered the question with a direct negative. What line of distinction is drawn between public and non-public correspondence on such a subject we do not know, but it is certain there ought to be no such distinction at all. The form in which the answer was given evades altogether Mr. WHITEHEAD's inconvenient "if not, why not?"

The following notes on Korean affairs are from a native source:—The British Legation guard was withdrawn from Seoul on the 19th ultimo, but the U.S. Legation still retains its guard of marines. The Russian Legation is garrisoned by from 250 to 300 Cossacks, who came overland from Possiet Bay. The Korean King has granted to Russia the harbour known as Moon-tail Island (probably from its shape) in the jurisdiction of Chemulpo, for the formation of a naval coaling station and sanatorium for invalids belonging to the Russian navy. A large dockyard is also, it is said, to be built, with a machine shop. The harbour is easily defended.—N. C. Daily News.

THE GOVERNMENT GAZETTE AND OFFICIAL APPOINTMENTS.

Our contemporary the *Hongkong Telegraph* calls attention to the fact that the appointment of Dr. WILM to the Plague Hospital was not notified in the *Gazette*. Many other things that ought to appear in the *Gazette*, and which formerly did so, are omitted now. Whether this is mere carelessness in editing or is due to some unfathomable official design we do not know, but as a record to official appointments the *Gazette* is now almost useless. A search through its index ought to show who was in charge of any particular office at any particular time, and until recently that was the case, but of late the notifications of the resumption of office by officers who have been on leave have been omitted, so that the public are left in ignorance as to when an officer returns or if he ever returns at all. The notifications of leave granted appear, but as a matter of fact officers almost invariably obtain extensions, and the original notification is therefore little guide to the time at which they may be expected to resume duty. And, as we see in the case of Dr. WILM, even appointments are now omitted to be notified. This is not as it ought to be. No secrecy ought to be practised with regard to official appointments and leave movements.

HONGKONG LEGISLATIVE COUNCIL.

A meeting of the Hongkong Legislative Council was held on the 22nd July in the Council Chamber. Present:—

His EXCELLENCY the Governor, Sir WILLIAM ROBINSON, K.C.M.G.

Hon. J. H. STEWART LOCKHART, Colonial Secretary.

Hon. H. E. POLLOCK, Acting Attorney-General.

Hon. A. M. THOMSON, Acting Colonial Treasurer.

Hon. F. A. COOPER, Director of Public Works.

Hon. R. MURRAY RUMSEY, Harbour Master.

Hon. COMMANDER W. C. H. HASTINGS, Acting Police Magistrate.

Hon. C. P. CHATER.

Hon. HO KAI.

Hon. T. H. WHITEHEAD.

Hon. E. R. BELLIOS, C.M.G.

Hon. J. J. BELL-IRVING.

Mr. F. J. BADELEY, Acting Clerk of Councils.

MINUTES.

The minutes of the previous meeting were read and confirmed.

PAPERS.

The COLONIAL SECRETARY laid the following papers upon the table:—His Excellency the Governor's despatch on the plague in 1896, despatches on the military contribution, and the report of the Street Lighting Committee.

FINANCIAL MINUTES.

On the motion of the Colonial Secretary Financial Minutes Nos. 4, 5, and 6 were referred to the Finance Committee.

PUBLIC WORKS COMMITTEE'S REPORT.

The DIRECTOR OF PUBLIC WORKS laid on the table the report of the proceedings of the Public Works Committee at a meeting held on the 8th July and moved its adoption.

The ACTING COLONIAL TREASURER seconded. Carried.

FIRE SIGNALS.

Hon. E. R. BELLIOS—Is there, as I mistake not was the case on the old police hulk, a lookout for signals for aid afloat maintained at Tsimtsui Police Station. If not, why has the system been abandoned?

The COLONIAL SECRETARY—The answer to the former part of the hon. member's question is yes; therefore it is not necessary to answer the latter part.

THE CONSTITUTION OF THE LEGISLATIVE COUNCIL.

Hon. T. H. WHITEHEAD—With reference to the papers on the subject of a Petition addressed

to the House of Commons praying for an amendment of the constitution laid before the Council on Wednesday, 8th inst., will the Government state for the information of the Council if there is any correspondence in existence from the Colonial Officials to the Home Authorities and vice versa between the 23rd August, 1894, the date of Lord Ripon's despatch, and the 29th May, 1896, the date of the Right Honourable Mr. Chamberlain's despatch on the subject, and if so will the Government lay it upon the table; if not, why not?

The COLONIAL SECRETARY—In reply to the hon. member I have the honour to state that the Government has no further correspondence to lay upon the table, all public correspondence having already been laid.

THE WATER SUPPLY.

Hon. C. P. CHATER—I beg to ask the following question, of which due notice has been given. With regard to the report of the Director of Public Works of the 9th May on the Water Supply of the colony, is it the intention of the Government to take steps to increase the present supply, and if so, how soon will the necessary operations be commenced?

The COLONIAL SECRETARY—Subject to the approval of the Secretary of State it is the intention of the Government to take steps to increase the water supply. The Secretary of State has been requested to send his approval by telegram, and it is anticipated that the works will be commenced early in September. (Applause.)

WIDOWS' AND ORPHANS' PENSIONS ORDINANCE.

The ACTING ATTORNEY-GENERAL—I beg to move the second reading of the Bill entitled an Ordinance to further amend the law relating to Widows' and Orphans' Pensions.

The COLONIAL SECRETARY seconded.

Council went into Committee on the Bill.

Council resumed, and the Bill was read a third time and passed.

SUPPLEMENTARY APPROPRIATION BILL.

The ACTING COLONIAL TREASURER—I beg to move the second reading of the Bill entitled an Ordinance to authorise the appropriation of a supplementary sum of \$1,002,275.07 to defray the charges of the year 1895. The total expenditure for 1895 amounted to \$3,159,343, while the estimate was only \$2,386,201, leaving an excess of \$773,142, but owing to the fact that votes for public works are kept distinct the total excess to be sanctioned is \$1,002,275. This sum is made up chiefly by the following unforeseen items—Resumption of Taipingshan, \$820,000; Public Works Recurrent, extra, \$17,000; Plague Expenses \$30,000; and exchange compensation paid on account of 1894, \$40,000. Supplementary votes amounting in all to \$850,000 were sanctioned by the Council from time to time during the year. The ordinary expenditure exceeded the estimate by only \$90,000, which is made up largely by the last three items before mentioned. On the other hand the revenue collected came very near to \$2,500,000, and if appropriations in aid be added it amounted to \$2,535,000 as compared with \$2,278,000 during the previous year. The excess of expenses, excluding loan works, over revenue in 1895 was about \$490,000, but if the extraordinary expenditure on Taipingshan be deducted from the former there would be a surplus of over \$330,000. In spite, however, of the large expenditure the amount of liabilities over assets on 31st December was only \$175,000, which it is hoped will be wiped off by December next. If any further explanations are required I shall be glad to give them. With these remarks I beg to move the second reading of the bill.

The COLONIAL SECRETARY seconded.

Bill read a second time and referred to the Finance Committee.

THE SALE OF FOODS AND DRUGS ORDINANCE.

The ACTING ATTORNEY-GENERAL—With regard to the next item on the orders of the day, the Sale of Foods and Drugs Ordinance, I do not propose to proceed with it to-day. I may mention that this Ordinance has recently been referred to the Sanitary Board, and they have suggested certain amendments for my consideration. I have not yet had time to fully consider those suggested amendments, and I do not propose to proceed with the Bill to-day.

The COLONIAL SECRETARY—I beg to second the motion that this order be discharged.

Order discharged.

THE MARRIAGE AMENDMENT ORDINANCE.

The ACTING ATTORNEY-GENERAL—I beg to move the second reading of the Bill entitled an Ordinance to amend the Marriage Ordinance, 1875. The object of the Bill is to enable all parties who desire to do so to enter into a valid civil marriage before the Registrar-General, even though neither of such parties professes the Christian religion.

The COLONIAL SECRETARY—I beg to second.

Bill read the second time.

Council went into Committee.

Bill read a third time and passed.

THE TITLES OF PRISONS OFFICERS.

The ACTING ATTORNEY-GENERAL—I beg to move the second reading of the Bill entitled an Ordinance to alter the titles of prison officers employed in this colony. The object of this Ordinance is to amend the present designations of the existing officers of the gaol so as to make their titles correspond as nearly as possible with those in use in English prisons.

The COLONIAL SECRETARY seconded.

Bill read the second time.

Council went into Committee, and the Bill was reported without amendment.

Council resumed, and the Bill was read a third time and passed.

THE REGISTRATION OF BIRTHS AND DEATHS.

The ACTING ATTORNEY-GENERAL—I beg to move the third reading of the Bill entitled an Ordinance to amend and consolidate the law relating to the registration of births and deaths.

The COLONIAL SECRETARY seconded.

Bill read the third time and passed.

THE REGULATION OF ADMIRALTY PROCEDURE.

The ACTING ATTORNEY-GENERAL—I beg, Sir, to move the second reading of the Bill entitled an Ordinance to regulate the Admiralty Procedure of the Supreme Court. I may mention, Sir, that this Bill and the rules in the schedule were drafted by our recent Chief Justice, Sir Fielding Clarke, and that they were sent home and submitted for the approval of the right hon. the Secretary of State for the Colonies, as was required under section 4 of the Colonial Courts of Admiralty Act, 1890. These new rules in the schedule of the Bill are founded mainly on the existing Vice-Admiralty Court rules, but there are a few important alterations to which I think I ought to draw the attention of the Council. In the first place, under the existing rules there are fees which are declared to be payable to the Judge, and the Registrar, and the Marshal of the Vice-Admiralty Court. As a matter of fact for the last few years these fees have not been paid to those officers, but have been paid into the Treasury of this colony. Sir Fielding Clarke pointed out that one result of collecting those fees was that a special tax was imposed upon persons taking Admiralty proceedings, and Sir Fielding Clarke accordingly recommended that these fees should be abolished, and the Secretary of State has approved of that recommendation. Another point is that these rules abolish altogether the office of marshal and direct that the duties heretofore performed by the marshal shall in future be carried out by the bailiff of the Supreme Court. Another change brought about by these new rules is in regard to the costs of barristers and solicitors. Under the present rules of the Vice-Admiralty Court the fees made payable to barristers and solicitors are in sterling, which is found to be very inconvenient in practice, and therefore that is altered under the new rules, by which barristers and solicitors are to receive fees on the same scale as they are payable in the Original Jurisdiction, except in cases where the matter in dispute is less than \$1,000, when only half costs are to be allowed. The only other point I ought to mention is that in the existing Vice-Admiralty Rules a special procedure is laid down with respect to discovery, interrogatories, admission of documents of facts, evidence, and the forms of affidavits and oaths. It is considered desirable that the special Admiralty procedure in these matters should be abolished, and therefore it is provided that the ordinary law on these matters shall be followed in Admiralty proceedings. With these observations, Sir, I beg to move the second reading of this Bill.

The COLONIAL SECRETARY—I beg to second.

Bill read the second time.

Council went into Committee.

Bill read clause by clause and reported without amendment.

Council resumed.

Bill read a third time and passed.

ADJOURNMENT.

His EXCELLENCY—The Council stands adjourned to this day fortnight, at three o'clock.

FINANCE COMMITTEE.

A meeting of the Finance Committee was held immediately after the meeting of Council. Hon. J. H. Stewart Lockhart (Colonial Secretary) presided, and all the members were present.

THE QUEEN'S STATUE.

The CHAIRMAN—The first minute is one in which the Governor recommends the Council to vote a sum of \$1,059.60 for expenses incurred in connection with the erection of the statue of Her Majesty the Queen, being difference between the amount spent (\$9,559.60) and the amount voted (\$8,500).

The vote was recommended.

KENNEDYTOWN SHEEP AND SWINE DEPÔTS.

The CHAIRMAN—The next minute is one in which the Governor recommends the Council to vote a sum of \$10,000 for the erection of a landing-stage at Kennedytown, in connection with the sheep and swine depôts.

Vote recommended.

THE IMPROVEMENT OF STREET LIGHTING.

The CHAIRMAN—The next minute is one in which the Governor recommends the Council to vote a sum of \$10,000 for the improvement of street lighting. The reports on the subject were laid on the table at the meeting of the Legislative Council which has just been held. I do not know whether hon. members would care to have more time to consider this subject or whether they are prepared to recommend the vote now. It is not likely that the whole of the \$10,000 will be spent this year, but it is thought advisable to take a vote for that amount, and if it is not all expended an application will be made to the Finance Committee for a re-vote.

The DIRECTOR OF PUBLIC WORKS—\$5,000 will be spent this year and the balance will be entered on the estimates for next year.

The COLONIAL SECRETARY—That amounts to exactly the same thing.

Vote recommended.

THE SUPPLEMENTARY COLONIAL ESTIMATES.

The Committee then considered the Supplementary Appropriation Bill, and the items were taken one by one.

On the first item (Pensions, \$18,776.97) being read, Hon. T. H. WHITEHEAD said—In regard to this item, was it not possible to have formed a more accurate estimate as to what the pensions would really amount to?

The CHAIRMAN—It is rather difficult to form an accurate estimate, because it is impossible to anticipate who are about to retire on pension; exchange also varies during the year.

Hon. T. H. WHITEHEAD—It seems to me to be a very large difference, and that it should be possible to estimate more accurately.

The CHAIRMAN—The sum is large, but you will observe that the total estimated is a pretty large one—\$94,000. As the hon. member is aware, exchange fluctuates a good deal; new pensioners have to be provided for and old pensioners die. Every attempt is made to make the estimate as accurate as possible. Considering the fluctuations in exchange and the uncertainty as to who intend to take pensions, I do not think that \$18,000 is really very much out of the way in a total of nearly a lakh of dollars.

Hon. T. H. WHITEHEAD—In the matter of exchange the fluctuations have been infinitesimal for some considerable time.

The CHAIRMAN—During 1895? This applies to the year 1895. Of course the hon. member is much better acquainted with the question of exchange than myself, but I was under the impression that 1895 was not a very steady year in the matter of exchange. However, the point will be noted, and if it is possible the estimate will be made still more accurate.

Item recommended.

On the next item, Governor and Legislature, \$2,714.36. Hon. T. H. WHITEHEAD said—I am in favour of this item, but at the same time, I quite fail to see why the rent of Craigieburn should not have been known and included at the time the estimates were formed. It must have been within—

The ACTING COLONIAL TREASURER—It was known. It used to be debited to miscellaneous services, but the Secretary of State ordered it to be debited to Governor and Legislature, and in order to carry out that instruction it was necessary to take a separate vote.

The CHAIRMAN—It is merely a transfer from one head to another.

Item recommended.

The next item on which there was discussion was Sanitary Department, \$9,406.10.

Hon. T. H. WHITEHEAD—In regard to this item I desire to refer to the resolution I moved at the last meeting of the Council asking for certain papers in connection with the proposed reconstruction of the Sanitary Board. The Governor then stated that all the papers would be laid on the table after the decision of the Secretary of State was received.

The COLONIAL SECRETARY—Excuse me, the Governor said he did not propose to lay any papers upon the table until the Secretary of State's decision had been received.

Hon. T. H. WHITEHEAD—I may mention now that it would be well if the Government changed their policy of concealment in regard to papers of public importance, and gave them now in order that we may have the opportunity of studying the correspondence, and if matters have not been fully represented we would then have an opportunity of putting things right. It will be of very little service—in fact no service at all—to have the papers after the decision has been arrived at, because the Secretary of State's order will have been issued without our having the opportunity of considering the papers. If we have them now we will have that opportunity. I think the Council has a right to them and should have the opportunity of considering the papers now and to have the chance of referring matters home through the Government. There can be nothing which has been said or written that will not bear the light of day, and I can scarcely realise any reason which can justify the Government in withholding the papers any longer.

The CHAIRMAN—The hon. member had the fullest opportunity of stating his views at the last meeting of the Council. Why he did not avail himself of that opportunity I cannot quite understand. My impression is that the reason was that he was not supported by his unofficial colleagues, who were quite satisfied to wait until the decision of the Secretary of State arrived. Of course I may be wrong, but the hon. member's colleagues will correct me if I am. (After a pause.) No contradiction.

Hon. T. H. WHITEHEAD—Before the vote is passed I would really urge on the Government again the desirability of confiding in us to the extent of giving us the papers bearing on the subject. I think there is every reason why we should have them. My unofficial colleagues voted unanimously with me when I asked for them in the month of December or January last. I then asked for the papers, and I was under the impression that certain members would have supported me when I asked for the papers at the last meeting of the Council.

The CHAIRMAN—However, you withdrew your motion.

Hon. T. H. WHITEHEAD—I withdrew my motion, but have not changed my mind.

The CHAIRMAN—You have changed your mind since then.

Hon. T. H. WHITEHEAD—I wanted nothing unreasonable when I asked for the papers.

The CHAIRMAN—Your change of mind will be noted in the minutes. It will be noted that you wish the papers to be published.

The ACTING COLONIAL TREASURER—I do not see that this is relevant.

The CHAIRMAN—It is not really relevant; but with the object of not allowing it to appear that there is any desire to prevent the hon. member from expressing his views, I have permitted him to proceed, although he had ample opportunity of expressing his opinions at the meeting of Council.

The item was then recommended, and the remaining items were recommended without discussion.

The CHAIRMAN—The items, gentlemen, have all been recommended by the Finance Committee, and the report of the Committee will be brought up at the next meeting of the Council. There is no other business.

ADJOURNMENT.

The Committee then adjourned.

THE MILITARY CONTRIBUTION.

The following despatches on the subject of the military contribution were laid before the Legislative Council on the 22nd July. The memorial of the unofficial members has already been published, but we repeat it, as the references in H.E. the Governor's despatch would be unintelligible without it:—

Government House,
Hongkong, 21st April, 1896.

Sir,—I have the honour to forward the enclosed memorandum from the Unofficial Members of the Legislative Council on the subject of the Military Contribution, and to submit the following observations on the several points raised by them.

2.—The position assumed by the memorialists in paragraph 1 of their memorandum is, in my opinion, untenable and calls, I think, for no special remark.

3.—As regards the contention in paragraph 2, the Unofficial Members seem to forget that no monies are paid away in respect of the Postal Service except for services actually rendered. It seems to me erroneous to maintain that the revenue collected on behalf of the Imperial Government or of the Postal Union brings no profit to the colony. Without the services of the Imperial Government and the Postal Union, which are paid for by this revenue, the Postal Service would either come to a standstill or the colony would have to make direct arrangements for the performance of those services, which might be a less economical method than that which at present exists. This part of the expenditure is, in fact, just as necessary to the service as the salaries of the Post Office staff. At the same time it appears to me that there are strong reasons why the entire portion of the revenue which is expended on the Postal Service should be exempted from the Military Contribution. That service is one of the few commercial undertakings which are now controlled and managed by Government on behalf of the public, and I believe that it is generally recognized as a fundamental principle that, so far as is possible, only so much profit should be derived from a postal service as is necessary to meet such extensions and improvements as may be required from time to time in the service itself. Any profit derived from the service, except when so applied, constitutes a special tax upon that section of the public which makes use of the service, from which the remaining portion of the community is exempt, while a deficit is equivalent to a tax upon the whole community for the benefit of one portion of it, viz., those who send and receive correspondence through the post. This is so manifestly unfair that tariffs are invariably so arranged as to guard against such a possibility, with the result that the profit may be and frequently is considerably in excess of the amount required for improvements in the Postal Service, the balance going to swell the general revenue.

A deduction of 17½ per cent. from such revenue as might be raised to meet a deficit would constitute a tax on general revenue and therefore from the present point of view would be unobjectionable, but this case is not likely to occur in practice.

A deduction of a percentage on profits also seems to be open to no grave objection, provided that such part of the profit is exempted as may be devoted to necessary improvements in the service.

On the other hand the levying of the contribution upon the gross revenue derived from the Post Office appears to be equivalent to the exaction from a merchant of 17½ per cent. of his capital and income, and I venture to submit that the revenue derived from the Post Office (or at least that part of it which is required for

expenditure on the Postal Service) should be regarded as the capital of the Post-using portion of the community held in trust for it and administered on its behalf by the Government. I consider that the Government should be in a position to provide a Postal Service for the letter-writing public on as cheap terms (inasmuch as it is not its object to make a large profit) as could be offered by private firms, but at the same time without expense to the non-letter-writing portion of the community. The impost of 17½ per cent. on gross receipts renders this position quite impossible. In cases where the General Post Office competes to some extent with private firms (e.g., in the carrying of parcels) the latter must enjoy an immense advantage at any rate if the parcels post is to be conducted on strict business principles, without assistance from general revenue. Again in cases where the General Post Office exercises a monopoly, owing to this impost of 17½ per cent. there will be unnecessary hardship either to the general public or to the Post-using section of it, and the hardship will increase as the business of the Post Office is extended. I venture to hope that in view of these considerations it may be decided to exempt from the deduction for the Military Contribution that portion of the revenue which is devoted to the necessary expenses of the Postal Service. I should add that if the contention of the memorialists is upheld, the amount to be deducted in respect of 1895 on account of transit charges and expenses of the Postal Convention would be \$145,711.00. The total revenue of the Post Office in 1895 was \$244,449.71, while the expenditure was \$194,240.27, leaving a balance of \$50,209.44. For the reasons I have stated, I consider this to be the largest sum on which the impost of 17½ per cent. should be charged.

4.—The contention in paragraph 3 is obviously sound, as the water accounts with departments are simply a matter of book-keeping; the amounts are merely book entries: no money actually passes and if it did it would simply be transferring money from one account to another.

5.—I agree with the memorialists also that the items classed last year as appropriations in aid should fairly be exempted. For example, the Government might hand over Queen's College or the Government Civil Hospital to a public body, paying to such body the difference between the cost of upkeep and the amount of the fees collected. The revenue would be thereby diminished by the amount of the fees, while it would scarcely be contended that Government should not entrust the management of such institutions to a public body simply because to do so would decrease the amount of the Military Contribution. Items of this nature are practically Refunds of Expenditure. A list of the amounts of the appropriations in aid for 1895 is enclosed.

6.—The item referred to in paragraph 5 of the memorial should also, I think, be exempted. The sum mentioned, viz., \$15,000, has been provided in the Estimates to meet the expenditure on account of refunds of revenue.

7.—As regards paragraph 6, I have nothing to add to the remarks contained in paragraph 5 of my despatch No. 267 of 28th August, 1895, except that the memorialists are in error in supposing that the revenue derived from Water Rates and the Central Market will in course of time cease and determine, although they might be decreased.

8.—I shall be glad to be favoured with an early decision on the several points raised by the memorialists.

9.—It is satisfactory to note that the Unofficial Members have raised no objection to the principle of appropriating a percentage of 17½ per cent. of the Colonial Revenues to the use of the Imperial Government as a Military Contribution, and I trust that, if it is possible to meet their wishes as regards some of the details to which attention has been drawn in their memorandum, this much-vexed question will be at last satisfactorily and finally settled.—I have the honour to be, sir, your most obedient servant,

WILLIAM ROBINSON.

The Right Honourable Mr. Joseph Chamberlain, M.P., Her Majesty's Principal Secretary of State for the Colonies, &c. &c. &c., Downing Street, London.

(Enclosure 1.)

Memorandum on the Military Contribution by the Unofficial Members of the Legislative Council of Hongkong, submitted for the consideration of the Right Honourable the Secretary of State for the Colonies.

When it was first proposed that the colonies should contribute towards the expenses incurred by the Imperial Government in the maintenance of a Military Force in the respective colonies, the inhabitants of Hongkong cheerfully acquiesced, and the Members of Council readily voted the sum of £20,000 a year—the amount originally levied on this colony. When the Military Contribution was raised from £20,000 to £40,000 on the promise of a larger garrison to be stationed here the Council voted the increase without hesitation, and there was no opposition until it was discovered that the enhanced contribution was claimed and insisted upon before any addition had been made to the forces in garrison or any extra expense incurred by the Imperial Treasury on that account. Later on when the heavy fall in exchange, while leaving the sterling amount of the contribution untouched, had raised its equivalent in dollars to an amount wholly out of proportion to the revenues of the colony,—from \$254,211.00 in 1891 to \$384,000.00 in 1895,—the Secretary of State was respectfully requested to reconsider the whole subject and to reduce the amount of the Military Contribution to a figure which would re-establish something like a reasonable proportion between the general revenue and the military tax. The same question was raised at the same time in the Straits Settlements and in other Crown colonies, and was so strongly pressed on the attention of the Imperial Government that within the last year it was determined to accept from the Eastern colonies a fixed percentage of their revenues instead of claiming from them each year a sterling amount of an invariable character.

For the Straits Settlements and for Hongkong the proportion of the Military Contribution to the general revenue was fixed at 17½ per centum, and in the adjustment of the amount to be paid for the current year the question at once presented itself in the both colonies as to what constituted general revenue. In the Straits Settlements it was conceded by the Secretary of State that the municipal revenue raised in Singapore should not be included in the general revenue of the Straits Settlements for the purpose of calculating the amount of the Military Contribution. So far as Hongkong was concerned the Colonial Office decided that the 17½ per cent. was to be taken out of the gross total revenue, deducting only the amounts received as premia on the sale of Crown Lands, and that there was no deduction to be allowed on account of items of revenue claimed to be of the same class and character as those exempted from taxation in Singapore as being purely municipal.

Municipal revenue is revenue raised in a city or town for the purpose of defraying the expenditure necessary for the proper and efficient administration of the city or town. It is levied on the inhabitants of the city or town, and no one who resides outside its limits is called upon to contribute. It differs in this from general revenue which is chargeable on all persons within the territory alike whether resident in or out of the town, and which is applicable for all purposes and not confined to purely local expenditure. As a general rule municipal revenue is collected and disbursed by a different authority from that which receives and expends the general revenue of a colony or a territory, but this fact is immaterial. The true criterion of a municipal tax is the limitation of the area within which it is collected and applied.

Although the city of Victoria has no municipal government, and although all taxes are levied and collected by the general Government of the colony, there are nevertheless items of revenue which are distinctly municipal within the above definition and not general. The assessed taxes (Police, Lighting, Fire Brigade, and Water Rates) afford a perfect illustration. Every house in the colony pays 7 per cent. on the annual valuation towards the general expenses of the Colonial Government. Houses in the Hill District and part of Kowloon pay 10½ per cent. Houses in the city of Victoria pay 13 per cent., which is apportioned as follows:—

Police 8½ per cent., Water 2 per cent., Lighting 1½ per cent., and Fire Brigade ½ per cent. The extra percentages are clearly municipal rates, just as much as if they were levied by and paid to separate municipalities. They are charged upon limited classes of persons, and for limited purposes, to defray expenditure wholly incurred within the localities named.

The revenues derived from the sale of night-soil under contracts for its removal from the city of Victoria constitute also a distinct item of municipal revenue. The proceeds are applied solely for the benefit of the city and of its inhabitants in providing for the cleansing of the streets and for the removal of rubbish and dirt having no money value to the collector of it.

The Eastern, Central, and Western Markets are within the city and are solely for the use of the city and its inhabitants. If a municipality were established here the markets would be handed over to it as undoubtedly municipal property. The rents derived from the letting of stalls in these markets is therefore municipal not general revenue.

In like manner with other items. A careful examination of the Revenue returns and of the Ordinances under the authority of which many items of revenue are raised will show that they are only leviable within the city of Victoria and in so far are distinctly municipal and not general revenue and therefore not fairly, or in accordance with the principle applied in the Straits Settlements, chargeable in respect of the Military Contribution.

The fact of Hongkong not having a Municipal Council should not militate against the colony being as fairly treated as we would be if we had one.

The Unofficial Members of Council desire further to call the attention of the Right Honourable the Secretary of State to one or two other points in connection with the Military Contribution which were overlooked in the discussions in Council on the subject, in view of the much greater importance of the question of Municipal revenue, and which in their opinion afford just grounds for a reduction of the amount:—

1.—The 17½ per cent. should be calculated on the General Revenue of the colony, less the amount recently raised to defray the Military Contribution itself, otherwise the colony is paying not only on its ordinary revenue but in addition on the amount of extra revenue specially raised to defray the Military Contribution itself.

2.—The Post Office is an Imperial Establishment in fact if not in name, and is also an international institution in so far as it works in connection with the Postal Union. It has branches outside of the colony in various parts in China. It derives a revenue from them and defrays certain expenditure on their account. A large portion of the Post Office revenue (so-called) is collected on account of the Imperial Government or of the Postal Union, and brings no profit to this colony whatever. Such monies form no portion of the revenue of this colony and ought to be thrown out of account, it is submitted, in the calculation of the gross revenue taxable for the Military expenses.

3.—In the Estimates for the current year (1896) there appear to be items included on the Revenue side of the account which do not represent any real receipts by the Treasury. Several of the Departments are charged, for the convenient keeping of the water account, with annual sums for the water they consume.

Post Office	\$ 100.00
Botanical and Afforestation	600.00
Education	100.00
Hospital	1,000.00
Police	1,500.00
Gaol	800.00
Sanitary, Water for Markets	2,000.00
Watering Streets	1,000.00

These departments do not, in fact, pay any money. If they do, it is money out of the Public Treasury. Such items are only book entries and should not be allowed to swell the gross total of the general revenue, for the purposes of the Military Contribution tax.

4.—There are other items to the amount of about \$46,000 classed last year as "Appropriations in Aid" and which were deducted from the gross expenditure in order to arrive at the amount of revenue to be raised, but

which are used this year to swell the gross revenue. These are not in any true sense revenue at all. They are receipts which render it necessary to raise less revenue annually. Such as the proceeds of the convict labour in the Gaol. The amounts recovered from Diplomatic, Naval, and Military Departments, Seamen and Debtors, towards the Gaol Expenses. The Contribution from the Imperial Post Office. The Grant-in-aid from the Admiralty towards the Lock Hospital. The Contributions from the Chinese Government towards Gap Rock Light. Refunds of Police Pay, and of cost of Police Stores, &c. Sick Stoppages from the Police Force, and other items of the same character.

5.—There is another noteworthy item which ought to be deducted from the Gross Total. The Colonial Secretary estimates that during the year 1896 the Treasury will have to refund to the payers some \$15,000 out of revenue received, i.e., that the revenue to be received will be some \$15,000 less in fact than he estimates it at. These \$15,000 should clearly be deducted.

6.—Lastly, the monies raised annually for payment of interest on loans, and for the purpose of maintaining sinking funds for the repayment of these loans, ought not to be made liable to the military tax. Such loans were raised on the security of the colony's capital in land unsold, in its waterworks, markets, &c., and are part of its capital. The revenues now raised from the Water Rates, Central Market, &c., are charged specially with the repayment of the debts incurred in respect of the Waterworks, Market, &c., and with the interest on the loan. The amounts so collected are not Ordinary but Extraordinary Revenue, and will cease and determine when the specific purposes for which they were imposed have been accomplished. The Government is bound by a distinct agreement in respect of the Light Dues, which interfere with the complete freedom of the port. If there is any profit to the colony after payment of interest and after provision of sinking funds that is revenue and clearly liable, but otherwise not.

The Unofficial Members of Council respectfully request that the amount of the Military Contribution for 1896 may be reconsidered and that the Secretary of State would be pleased to give specific directions on all the points herein raised.

(Signed) C. P. CHATER.

HQ. KAI.

T. H. WHITEHEAD.

E. R. BELLIOS.

J. J. BELL-IRVING.

Legislative Council Chamber,
Hongkong, 31st March, 1896.

(Enclosure 2.)

APPROPRIATIONS IN AID, 1895.

Convict Labour,	\$ 5,514.67 Gaol.
Recovery from Diplomatic, Naval and Military Departments,	1,413.05 Gaol.
Grant from Imperial Post Office,	6,637.31 Post Office.
Grant from Admiralty to Lock Hospital,	945.29 Female Venereal Ward.
Medical Treatment of Patients in Civil Hospital,	15,255.64 Civil Hospital.
Maintenance of Gap Rock Lighthouse,	750.00 Harbour Department.
Queen's College Fees,	12,667.00 Queen's College.
Refund of Police Pay,	2,232.12 Police.
Refund Cost of Police and other Stores,	386.05 Police.
School for Girls. Fees from Scholars,	452.00 Inspector of Schools.
Sick Stoppages from Police Force,	813.45 Civil Hospital.
Subsistence Money of Seamen and others in Victoria Gaol,	448.75 Gaol.
Sale of Plants,	854.03 Gardens.
Sales of Forestry Products,	678.19 Gardens.
Total,	\$ 49,047.55

DESPATCH FROM THE SECRETARY OF STATE TO THE GOVERNOR.

Downing Street,

8th June, 1896.

Sir,—I have the honour to acknowledge the receipt of your despatch No. 107 of 21st April last, forwarding a Memorandum from the Un-

official Members of the Legislative Council, in which they suggest that certain items should be omitted from the Statement of Revenue, on which the Military Contribution is based.

2.—I regret that I am unable to meet the views of the Unofficial Members in this matter, and I would observe that if any of their proposals were adopted, it would be necessary to reconsider the proportion of Revenue which has been fixed as the amount of the Contribution.

3.—That proportion, seventeen and half per cent., taken on the total gross revenue of the colony, less Land Sales, and including all those items which have hitherto been accounted for as revenue, appears to me to be by no means an unreasonable sum to ask the colony to contribute; and I have already explained in my despatch No. 258 of 26th October last why I consider that there is no unfairness in charging the same percentage in the case of Hongkong as in that of the Straits Settlements, although in the latter colony municipal revenues are not taken into account.

4.—Turning to those items of Revenue which were in the Estimates for 1895 (for the first and last time) treated as Appropriations in Aid, I would remark that they are in the nature of reimbursements towards expenditure, most or all of which expenditure would have to be incurred, even if nothing were recovered by way of reimbursement. These receipts are therefore, in my opinion, properly treated as Revenue and as indicated in my telegram of this day's date I can see no sufficient reason for deducting them from the total on which the Contribution is to be based.

5.—Similarly I can see no reason for deducting any portion of the Postal Receipts, as proposed in your despatch under acknowledgment. Most of the arguments advanced by you on this point would apply equally to several other Heads of Revenue, e.g., Harbour Receipts, Court Receipts, and Water Receipts, all of which might in one sense be regarded as reimbursements in aid of expenditure.

6.—I request you to lay this despatch and my despatch of 26th October last before the Legislative Council.—I have the honour to be, sir, your most obedient, humble servant,

J. CHAMBERLAIN.

Governor Sir W. Robinson, K.C.M.G., &c., &c., &c.

THE GOVERNOR'S DESPATCH ON THE PLAGUE.

The following despatch addressed by the Governor to the Secretary of State was laid before the Legislative Council at its last meeting:—

Government House,
Hongkong, 6th May, 1896.

Sir,—I have the honour to forward for your information the following account of the incidence and progress of the bubonic plague in this colony during the current year and of the measures which have been and are being taken to suppress it.

2.—The first case of plague occurred on the 4th January, and from that date to the 29th January there were forty-five cases, as reported to you in my despatch No. 26 of that date. These cases were merely sporadic, being confined principally to the western portion of the city.

Precautionary measures of the following nature, to prevent the disease from spreading, were adopted without delay:—

(i.) Every person found to be suffering from the disease was at once removed to the hospital at Kennedytown, situated in an isolated position at the extreme western suburb of Victoria, and was there placed under treatment.

(ii.) The other inmates of the house in which the case had occurred and who were in close contact with the patient were segregated on large and roomy junks locally known as "marriage boats," hired by Government for the purpose and anchored in the vicinity of Stonecutters Island, where they were detained under observation for ten days, nine days having been ascertained to be the maximum period of incubation of the disease in 1894. Every attention was paid to the comfort of those segregated, who, besides being fed at the expense of Government, were supplied

with clothing, whilst their own was being disinfected by the Sanitary Board before being finally returned to them. After the period of ten days had elapsed, they were at liberty, if still free from the disease, to return to the city, or to their own homes on the mainland. Only one or two persons developed the disease during the period of isolation, and they were of course at once removed to the Kennedytown hospital for treatment.

(iii.) The house in which the case occurred was at once closed and guarded by the Police until it had been thoroughly cleansed, disinfected, and whitewashed under the supervision of the Medical Officer of Health attached to the Sanitary Board.

3.—During the greater part of January, Canton was reported to be almost entirely free from the disease, but towards the end of that month it became more prevalent there. This fact materially altered the state of affairs and as, in view of the difficulty of restricting the passenger traffic from that port, from which Hongkong derives the greater part of its food supply, the colony was in any case exposed to the danger of the introduction of cases from thence and as the number of persons in segregation amounted to over 200 and was rapidly increasing, the Sanitary Board resolved to abandon the system of isolation on marriage boats. It was accordingly decided that such of the inmates of infected houses as desired to do so should be permitted, after their clothing had been disinfected, to proceed to Canton, their departure being supervised by the Police, and a sufficient sum of money being given to each person to defray the cost of his passage and his necessary expenses during the voyage.

4.—Towards the middle of February the number of cases occurring daily began to show an appreciable increase, and the disease ceased to prevail only in a single district, but appeared to be spreading over the whole city. Consequently on the 19th of that month it was declared by the Sanitary Board to be epidemic and from that date the Health Officer of the Port ceased issuing clean Bills of Health to vessels leaving Hongkong.

5.—About the same time the ordinary staff of the Sanitary Board was increased by the appointment as temporary Inspectors of Nuisances of nine European Police constables, who were entrusted with the duty of aiding in the supervision of the inspecting, cleansing, and disinfecting of houses.

6.—It is a somewhat remarkable fact that during the latter part of February and the first three weeks in March, while the disease was increasing in Hongkong, Canton was reported to have become almost entirely free from it; the immunity it enjoyed being attributed by the Chinese to the cold weather which prevailed during that period.

7.—It was, of course, not to be expected that the Chinese would submit with any great complacency to the compulsory inspection, disinfecting, and cleansing of their dwellings, which cannot be carried out without causing some discomfort to those concerned, and though, I am happy to say, that they have shown themselves this year more ready than in 1894 to recognise the absolute necessity, in the interests of the public health, of the sanitary measures which have to be adopted, they nevertheless have displayed great unwillingness to come forward to report cases of plague coming under their cognisance. Innumerable have been the devices and subterfuges to which they have had recourse in order to remove patients and corpses from the colony without the knowledge of the authorities, and, in many instances, with a view to avoiding enforced segregation, they deserted their houses, leaving victims of the disease dead or dying, the bodies not having been discovered till some days after death. One case was brought to light in which a corpse was being conveyed secretly out of the colony as merchandise in a camphorwood box.

8.—In order, therefore, to allay the suspicions and apprehensions of the Chinese, who as a people are naturally timid, and to induce them to report cases with greater readiness, it was decided, towards the end of March, to permit them to remove their sick to Canton under certain conditions, a copy of which is enclosed, and this privilege was shortly afterwards extended to the removal of corpses. Although this con-

cession has been availed of only to the extent of the removal to Canton of one patient and four bodies, I am of opinion that the granting of it has tended to calm the minds of the native population and to discourage the concealment of cases from the knowledge of the authorities.

9.—I am glad also in this connection to be able to state that although a good many of the well-to-do Chinese have removed their wives and families from the colony, and although the attendance at most of the schools has greatly diminished, there has been no general exodus of the population such as occurred in 1894, and business has so far not suffered to any appreciable extent, except perhaps from the imposition of quarantine by the Governments of Singapore and Batavia.

10.—Early in April, the Sanitary Board recommended that, in view of the danger involved in sending inmates from plague-infected houses to Canton, where the disease had by that time again assumed formidable dimensions, sheds should be erected in the colony for their segregation while their clothing was being disinfected. Three such sheds have accordingly been erected, one each in the eastern, western, and central portions of the city, and are being used for the temporary housing of the inmates of infected houses whilst the latter are being cleansed and disinfected.

11.—On the 6th April, I found it necessary to apply to His Excellency the General Officer Commanding for military assistance to aid in the work of house to house visitations and cleansing, and he was good enough to detail for that work twelve men from the Royal Engineers and subsequently seventeen men from the Rifle Brigade and three non-commissioned officers, who are cheerfully performing their difficult work in a most efficient manner. They are being remunerated at the same rate as that fixed in 1894.

12.—The search party visits and inspects each Chinese house in the colony about once in every ten days, and from the 25th February to the 21st April no fewer than 3,200 houses, comprising 8,330 floors, each floor forming, with few exceptions, a separate dwelling, were thoroughly cleansed, disinfected, and, in many cases, also limewashed by the "Whitewash Brigade." This work is still in progress. The total number of occupied Chinese houses in the city is 6,350, but as a number of these are occupied by well-to-do Chinese no interference on the part of the Sanitary Board is necessary. It is hoped that before long every house in the city requiring attention will have been cleansed and limewashed.

13.—Having described in detail the sanitary measures which have been taken to cope with the disease, I now proceed to deal with the subject from a medical point of view.

14.—I am informed by Dr. Lowson that the type of the disease is identically the same as in 1894, a full description of which is given in that officer's report, forwarded in my despatch No. 122 of the 16th April, 1895.

15.—I enclose a return showing the number of cases and deaths to date, and the number of cases which have occurred during each week since the 4th January.

16.—I may here mention that in order to ensure all possible accuracy in the statistics, the bodies of all Chinese whose deaths are registered but the causes of whose deaths have not been certified by a medical practitioner are examined before burial by the Medical Officer of Health. In proof of the necessity of this step I may state that that officer found that between the 8th February and the 30th April as many as fifty deaths from plague had been erroneously registered as due to other causes, principally consumption, bronchitis, and intermittent fever.

17.—The mortality generally, as compared with 1894, shows a slight improvement. The total number of Chinese cases, up to noon on the 4th instant, was 675 and the number of deaths 602, or a little more than 89 per cent., whereas in 1894 the mortality among the Chinese who were treated in hospitals was 93 per cent., and it must also be borne in mind that in the latter calculation no account is taken of dead bodies found in the streets and sent at once to the burial ground, while the returns for the current year include all deaths from the plague.

There are, however, grounds for believing that children are more liable to infection than was the case in that year.

Twenty-two persons other than Chinese have contracted the disease during the current year. Their nationalities were as follows:—

Europeans 6
Indians 15
(including Mrs. Joseph and her family reported in my despatch No. 87 of 16th April, 1896).
Siamese 1

Amongst the Europeans two Sisters of Charity from the Italian Convent have died, having contracted the disease from a case which occurred in that convent. The third case was a master mariner named James Ernest Cloud, living at a marine boarding-house, who, it is believed, contracted the disease on board a Chinese launch running between Hongkong and Kowloon. He, also, I regret to say, succumbed to the attack. The other cases were those of two children of Warder Gidley of the Victoria Gaol, one of whom died and the other recovered, and of an Austrian in the employ of Messrs. Sander & Co., who is still under treatment at the Government Civil Hospital and is progressing favourably towards convalescence. The Siamese died, and of the fifteen Indians six died, four recovered, and five are still under treatment.

18.—Early in March it was deemed advisable, in view of the possibility of the disease assuming an epidemic form, to procure extra medical assistance, and by the courtesy of Admiral Hoffmann, I was fortunate enough to be able to secure the services of Dr. Wilm of the Imperial German Navy, whose eminent attainments as a bacteriologist and intimate acquaintance with this particular disease, which he had previously studied here as well as under Professor Koch in Berlin, render him a most valuable acquisition to the Government medical staff. He arrived here from Japan on the 14th March, since which time he has been actively engaged in treating patients at the Kennedy-town hospital.

19.—With regard to the origin of the plague there seems no doubt that it may be classed as a filth disease. It is confined chiefly to the poorer classes of the Chinese, whose dirty and insanitary habits foster its progress. The ordinary Chinaman of the poorer class in this colony seldom thinks of cleaning his house, and the heaps of dirt and rubbish which the house-cleaning parties remove from one small floor of a house causes the spectator to wonder where the occupant can find room for himself. Many of the houses are, moreover, so situated and constructed as to afford an utterly inadequate supply of light and ventilation and the position is aggravated by the high rents which prevail in this colony and which encourage overcrowding. The housing of the working classes in Hongkong is an important question the consideration of which should be no longer delayed. I accordingly propose shortly to appoint a Commission to enquire into and report on this matter.

20.—It is also a noteworthy fact that the outbreak of the present year, as in 1894, was preceded by a prolonged scarcity of water. In 1894 the rainfall commenced exceptionally late, and not until the supply of water in the reservoirs was nearly exhausted, while in 1895 the amount of rain which fell was so abnormally small (45.84 inches instead of the usual 90 inches) that it was necessary, in order to husband the supply until the rains of 1896, to place the colony on a limited supply throughout the dry season of 1895-1896. On the other hand it must not be forgotten that the rainfall of 1894, when it did at last come, was accompanied by a sudden and very great increase in the number of cases of plague, doubtless because the wet weather drove the Chinese within doors and increased the overcrowding in their houses. The rains this year began early and there is now no scarcity of water in the colony.

21.—With regard to the financial aspect of the situation I will address a further communication to you at a later date. In the meantime I will content myself with remarking that, although the measures which I have described necessarily involve a considerable outlay, all possible economy is being exercised, bearing in mind the urgent necessity of complete and comprehensive action in suppressing at all hazards

this fell disease, the annual recurrence of which cannot fail to affect prejudicially the prosperity of this colony. That those measures are bearing good fruit may, I think, be fairly deduced from the figures of the return of cases, which cannot be considered alarmingly high when it is borne in mind that the disease is raging with great virulence in the city of Canton and on the mainland in the neighbourhood of the colony, and that the population of the colony has not been diminished by any such extensive exodus of the Chinese as took place in 1894.

22.—In conclusion, I desire to state that the members of the Sanitary Board and its staff deserve great credit for the efficient manner in which they are supervising and discharging duties of an arduous and disagreeable nature, but extra and anxious work has also fallen on other departments. I do not propose on the present occasion to mention the names of individuals deserving of special commendation. I consider that the staff at present employed in plague work aided as it is by departments is sufficient to cope with the existing conditions, but so long as the disease is epidemic in Canton this colony can never be free from grave anxiety. If the plague continues to rage in that city, it may be necessary to endeavour to prohibit Chinese immigration into this colony from thence, though I doubt whether it will be possible to devise steps for that purpose which will prove really effective. In any case nothing will be left undone which can in any way help to eradicate a disease which has already inflicted great loss and suffering on this colony and which may permanently affect its welfare unless it can be prevented from recurring.—I have the honour to be, sir, your most obedient, humble servant,

WILLIAM ROBINSON,
Governor.

The Right Honourable Mr. Joseph Chamberlain, M.P., Her Majesty's Principal Secretary of State for the Colonies, &c., &c., &c., Downing Street, London.

THE PUBLIC LIGHTING.

Papers on the question of the public lighting of the city of Victoria and British Kowloon were laid on the table of the Legislative Council Wednesday. The first paper is a report by a committee, as follows:—

In pursuance of the directions contained in the letter of appointment issued by His Excellency the Governor on the 9th January, 1896, "to find out what streets require better lighting and the cost thereof," the undersigned Committee have the honour to submit the following report:—

The Committee held nine meetings, during seven of which they perambulated the city of Victoria and peninsula of Kowloon between the hours of 8 p.m. and 11 p.m.

At their ninth meeting they examined one witness, Mr. T. Collins, the Secretary of the Hongkong and China Gas Company, Limited, and they also considered the gas and electric light contracts.

The Committee recommend increases and alterations in the lighting of the streets aggregating \$14,152.90, exclusive of the cost of mooring lights, cutting trees, and removing signboards.

In the appendix will be found the nature and positions of the various additions and alterations suggested.

Additions suggested.	Initial cost.
Posts 156 @ \$26.40	\$4,118.40
Brackets 154 @ \$18.00	2,772.00
Bridges 4 @ \$40.00	160.00
314 Welsback burners for above @ \$7.50	2,355.00
	\$9,405.40
Alterations recommended.	
The existing gas lamps 638 to be reduced by 5, and the remaining 633 fitted with Welsback burners @ \$7.50	4,747.50
	\$14,152.90

The Committee recommend the use of the Welsback burners for the following reasons:—

(1.)—The present cost of upkeep per lamp of 11 or 12 candle-power is \$2.85 per mensem, whereas that for the Welsback of 25 to 30 candle-

power will only be \$2.70, so that the initial cost of the burner will therefore be recouped in four years, after which a saving of about 5 per cent. per annum will accrue, while the brilliancy of the lights will be doubled at once.

(2.)—The Welsback burner requiring a sealed lantern is less liable to extinction.

(3.)—The Welsback gives a quite sufficiently intense light for the purpose the Committee have in view and is much cheaper than the electric lamp in the initial cost and upkeep.

Four of the new posts in San-wa-long should, however, carry lanterns of the "S" Welsback pattern, involving a monthly cost of upkeep of \$3.60 per lamp, and giving a light of 50 to 60 candles.

The Committee further recommend that the ordinary glass tops of streets lanterns be replaced by opal glass as opportunity offers, as this will increase the light by reflection and will not be charged for by the Gas Company.

The Committee would also suggest the lighting of the cable lamps at Hung-hom with gas when it is extended to that village; the same remarks would apply to the lamps at Whitfield, though the date in that case would appear to be more remote.

The bulk of the new lights suggested in the city of Victoria would be placed in small lanes and blind alleys, many of them private, but which, whether private or public, should, from a police point of view and for the protection of life and property, be lighted without delay.

W. M. C. H. HASTINGS,
Chairman.

C. P. CHATER,
Ho Kai.

To His Excellency Governor Sir W. Robinson, K.C.M.G.

The above report was referred to the Director of Public Works, who in his reply says:—

General speaking, the question of lighting streets may be divided into two headings, viz:—

- The lighting of public streets, roads, and lanes, and
- The lighting of private streets, roads and lanes.

The former can only properly be designated "public lighting," though perhaps from a police point of view the latter may be considered equally if not the more important.

In urban districts in England, the improvement, including lighting, of private streets and roads is regulated by the section 150 Public Health Act 1875, under which section the urban authority has power to call upon the owner or owners of the property abutting upon such streets if they are not properly sewered, levelled, paved, channelled, or are not lighted to the satisfaction of the authority to carry out the necessary works within a specified time.

The question of the efficient construction, maintenance, and lighting of private streets and lanes is one that I have on previous occasions referred to.

In my opinion the owners of property abutting on private streets and lanes should be liberally treated in all cases where such owners are prepared to hand the private streets and lanes that are used as public thoroughfares over to the Government, but until such streets and lanes are taken over by the Government the cost of efficiently lighting them should undoubtedly devolve on the owners of property abutting thereon, and I would remark that the cost of lighting the city during 1895 was \$42,527, whilst the revenue derived from the rate of 1½ per cent. levied for lighting purposes on the present rateable value amounts to \$49,700, leaving a balance of some \$7,000 per annum only to meet the interest on capital expenditure already incurred and that necessary to place the lighting of the public streets on a satisfactory basis, as well as the increased annual cost of maintaining the additional lights required.

It is not therefore my intention to enter further upon the question of lighting private streets and lanes beyond mentioning that owing to the various nature and considerable extent of the obstructions so often to be found in such streets and lanes, brackets on the walls would be of little use and probably lamps fixed on posts in the middle of the street or lane would be found the most efficient means of lighting.

Generally speaking, I am of opinion that considerable improvements may be effected in

the lighting of the city of Victoria at a small cost, but before undertaking such alterations it would be well to decide on the general principles to be adopted, and I recommend that a district should be taken in hand and improved in accordance as far as practicable with the following rules:—(a) All gas burners used to be of the pattern known as the Welsback. (b) In streets of 59 feet and less in width the burners to be those known as the "S" pattern. (c) In streets exceeding 50 feet in width and at important junctions the burners to be those known as the "C" pattern. (d) All lamps to be placed at distances apart of about 70 yards, which should be considered a maximum. (e) The glazing in the upper part of all lanterns to be of opal glass. (f) All brackets to be abolished and lamp posts fixed instead. (g) The height of lamp posts, except where carrying "clusters," not to exceed 10 feet 6 inches.

[The subject is discussed in detail in reference to the city and Kowloon and the extension of public lighting is recommended.]

Turning now to the Peak, I estimate this district will require about 100 lamps for the efficient lighting of the roads, exclusive of the Magazine Gap district. I have omitted the latter, owing to the necessity, if this district is included, of laying a new main from Queen's Road East up the Wanchai Gap Road, the cost of which would not compare at all favourably with the advantages to be gained. The estimated cost of fixing 100 lamps is \$4,850.

There is at present no rate for lighting levied in the Peak District. The annual rating valuation is \$96,450, 1½ per cent. per annum rate would realize an annual revenue of \$1,446, and the annual cost of lighting and maintaining 100 lamps would be 100 at \$3,600, or equivalent to, say, 4 per cent. on the rating valuation.

CHINESE JUNKS AND THE FORMOSA OPIUM TRADE.

It having been frequently stated that a preferential treatment was accorded by the Government of Formosa to Chinese vessels as compared with British ships in regard to the carrying of opium to Formosa, and that opium shipped under the Chinese flag is admitted into Formosa free of duty, official inquiries have been made by the Japanese Consul, and the following statement, prepared by the proper authorities, showing that the allegation is unfounded, has been supplied to us for publication:—

(Translation.)

Concerning the trade in Chinese junks on the coast of Formosa, the following notification was published by the Imperial Japanese Customs, dated 1st August, 1895:—

"No Chinese junks shall be allowed to enter, or to load or discharge cargo at, any port or place not opened to foreign trade. Entries of Chinese junks shall be made at the Custom-house in the same way as foreign steamers, according to the regulations. The owner or master of a junk who shall have failed to follow this order will be strictly punished."

It was not an easy matter at the time to make this notification known through the southern part of the Island, where the disturbances were still prevailing, though accomplished in the due course of time, every effort having been employed. In the meanwhile it was found necessary to establish Customs stations along the coast to guard against smuggling. A station was, accordingly, opened at Lakkang on the 22nd October, 1895, the intention being to increase the number gradually.

As the port of Tamsui and other four places were formally opened to foreign trade on the 23rd February, 1896, and as the smuggling of opium and other goods should be strictly guarded, another station was established at Kinko. Having calculated the existing Custom houses and stations still insufficient for the purpose, the assistance of the Police and Military Police was called upon by the following instructions:—

"Whereas the entry to, or loading or discharging cargo at, a place where no Custom house or station is established is strictly prohibited, and whereas there may occur offence or offences against the regulation, the officers of Police and Military Police are hereby instructed

to order any offender or offenders found by them to make for the nearest open port, and also to report to the Customs officer the occurrence and its circumstances."

The statistics mentioned below may be interesting, revealing as they do, the way in which junks have been treated at the open ports by the Customs officers:—

Number of junks entered into the ports of Formosa, since 23rd February last (their cargoes strictly examined and duties thereon levied) ...	315
Number of junks cleared during the same period ...	219
Cases of confiscation from Chinese who violated the regulation at Tamsui (including 6 cases of opium) ...	30
Anping (all the cases being opium) ...	4
Lakkang ...	5
Two more cases are pending decision.	

The strictness with which Chinese junks have been treated by the Imperial Customs will be apparent from the foregoing statement. It is, nevertheless, most desirable to increase the number of Customs stations, but as it is not practicable for the moment, two other measures are under contemplation, namely (1) the cruising of the coast by a number of Customs cruisers, and (2) the establishing of nationality of all the Chinese junks on the coast of Formosa.

DROWNING ACCIDENT NEAR SHANGHAI

THE AUSTRIAN CONSUL-GENERAL DROWNED.

[SPECIAL TELEGRAM TO THE "DAILY PRESS."]

SHANGHAI, 27th July.

M. Haas, the Consul-General for Austria-Hungary at Shanghai, was drowned at Pootoo yesterday. The body has not yet been recovered.

[M. Haas had been resident at Shanghai for the last twenty-five years, having been appointed Interpreter of the Consulate in 1871. He was afterwards appointed Vice-Consul, and in 1885 was promoted to the rank of Consul.]

THE SHANGHAI CONVENT CASE.

VERDICT FOR THE PLAINTIFFS.

[SPECIAL TELEGRAM TO THE "DAILY PRESS."]

SHANGHAI, 21st July.

In the suit brought by the Institution St. Joseph against the *Shanghai Mercury* a verdict has been given for the plaintiffs for Tls. 1,000 with costs.

[The suit was brought to recover damages for certain allegations made by the *Mercury* in respect to the circumstances under which a nun left the convent. Some time after the commencement of the legal proceedings the defendant paper tendered an apology, but the plaintiffs declined to withdraw the suit.]

THE LATE SIR JOHN PENDER.

The following telegram was sent by H.E. the Governor on the 10th July:—

"Government, Chamber of Commerce, and community of Hongkong express profound regret at decease of Sir John Pender."

"ROBINSON."

To this the following reply has been received:—

"London, 20th July, 1896.

"For the Government, Chamber of Commerce, and community of Hongkong.

"I thank you most sincerely for your kind and thoughtful expression of sympathy for the loss of my father Sir John Pender."

The Lawn Tennis (Doubles) match between the Shanghai Cricket Club and the Country Club ended on the 16th July in favour of the former by 7 sets to 4, or 68 games to 54. Messrs. Firth and W. H. Moule beat Messrs. Drummond and Bullard, the score being 6-4, 7-5; and Messrs. Gumpert and Ramsay beat Messrs. Douglas Jones and Johnston, the score being 5-7, 6-1, 7-5.

SUPREME COURT

23rd July.

IN CRIMINAL SESSIONS.

BEFORE HIS HONOUR DR. CARRINGTON (CHIEF JUSTICE)

THE "MARTHA" SHOOTING CASE.

Peter Gruenwald, second engineer of the German steamship *Martha*, was charged on an indictment containing two counts, viz. that he did unlawfully and maliciously wound a certain Chinaman on board that vessel on the 25th May last, and that he did assault the same man, thereby occasioning him actual bodily harm.

The following jury were empanelled to try the case:—Messrs. J. Taylor, W. Ross, W. H. Potts, T. Arnold, F. D. Gomes, S. Hancock, H. N. Mody, and A. O'D. Gourdin.

Hon. H. E. Pollock (Acting Attorney-General), instructed by Mr. A. B. Johnson (Crown Solicitor), prosecuted, and the defendant, who pleaded not guilty, was represented by Mr. J. J. Francis, Q.C. (instructed by Mr. Bowley).

In opening the case for the prosecution the Acting Attorney-General said the prisoner was charged on two counts with unlawfully wounding and assaulting a coolie, thereby occasioning him actual bodily harm. Before entering into the legal aspect of the case he would detail to the jury the circumstances of the case as they would be proved by the prosecution, but before dealing with those facts he would ask the jury to dismiss entirely from their minds any preconceived idea which they might have formed from what they had read respecting the case in the local newspapers. They had to depend simply and solely upon the evidence. The facts of the case were as follows:—On the 25th May last, about 5 or 6 a.m., a gang of fifty coolies went to work on board the steamship *Martha* in this harbour, the complainant being among them. The coolies set to work in three different gangs of sixteen or seventeen and everything went on smoothly until about eleven o'clock. At that time, and whilst cargo was being worked from three different hatchways, a shower of rain fell. It appeared that the head coolie in charge then called down the No. 2 hatchway, ordering the tarpaulin to be put down to keep the rain out, and then went astern and gave similar orders at the other hatchways. In consequence of the orders given by the head man it appeared that four coolies came up from below from the 'tween decks, the man who was wounded being among them. When the wounded man came up one of the officers—he believed it was the second officer—took hold of him by the neck. The man seems to have resisted this and hit the officer. A great deal of commotion was consequently caused on the ship. In consequence of the noise the head coolie came back from No. 4 hatchway to see what was going on, and as he was passing it was stated that one of the officers hit him with a piece of wood. The coolie shouted out and a kind of general *melée* seems to have occurred. The next thing that happened, according to the evidence of the prosecutor, was that a European was seen with a revolver in his hand and that he fired a number of shots—about six shots. Four of the shots took no effect, but of the other two one hit the man in connection with whom this charge was brought and the other struck a coolie who had previously been working at No. 4 hatchway. The coolies were eventually taken to the Government Civil Hospital, and Dr. Atkinson would give in his evidence the nature of the wounds which they received. After the wounded men were taken ashore the captain sent the second officer with information to the police station at Kowloon and P. S. Withers went on board. He proceeded to the defendant's cabin and there found nine revolver cartridges and eighteen empty cartridge cases, six of the latter appearing to have been recently discharged. The defendant also handed to the sergeant a six-chambered revolver, and the police officer would say that in his opinion the revolver appeared to have been recently discharged. Two bullet marks were also discovered on the hatchway. These were the main facts of the case. With

regard to the law touching these cases he would deal with the first count first, and the first observation he would make was that the word "maliciously," mentioned in that charge, had not the same meaning as it would have in an ordinary prosecution. For instance, it did not mean that the defendant bore any personal ill will to the complainant. He took the word as used in this charge as meaning that the prisoner fired the revolver and that the natural result of his firing was that he hit the complainant. The Acting Attorney-General then quoted cases which, he contended, proved that "if a man intentionally does a certain act he must be held responsible for the natural consequences of that act. Applying the principles laid down, it was the contention of the prosecution that if the jury found that the prisoner intentionally fired off the revolver and the natural consequence was that this man was injured, he was guilty of the charge of unlawfully and maliciously wounding. With regard to the second charge, that of assaulting and wounding the complainant and thereby causing him actual bodily harm, he presumed that the defence would be that there was very great commotion on board this ship and that it was necessary for the protection of the lives of the Europeans on board that this revolver should be fired; but it would be for the jury to say whether the prisoner used any unnecessarily violent measures in firing the revolver, and whether it was really necessary for him to fire in the interests of self-defence. It was not the contention of the prosecution that the prisoner deliberately fired at this man, but that he went recklessly shooting about.

Witnesses bearing out counsel's opening statement were then called and the case for the prosecution had not concluded when the Court rose.

24th July.

Further witnesses were called and the case for the prosecution closed.

Mr. Francis, in addressing the jury for the defence, said it was a subject for congratulation that the results of the shooting were not more serious than those spoken of in the evidence. The revolver was used because the second officer and the third engineer were at the moment in grievous peril of losing their lives. They were being most ferociously attacked by nearly a hundred coolies on the boat; the coolie gang crowded in fore and aft; there were shouts of "Ta, Ta," and coolies from the cargo boats swarmed the deck to assist the other coolies. The captain of the ship, the chief officer, the second officer, the third officer, the chief engineer, and the third engineer would be called to prove the facts. However wrongful may have been the act of the first or second officer, or both, in cuffing or ill-using one or more of the coolies at the time the shower of rain came on, when the hatches were ordered to be covered in order to save the rice, the result of what they did was that the whole of the coolies, excited by the cries, came rushing forward to where the two officers were and attacked them with pieces of wood, handspikes, basins, and everything they could lay their hands on. About a hundred coolies attacked the second officer and the third engineer, who were beaten down and were completely at the mercy of the infuriated Chinamen. It was then that the defendant, who had nothing whatever to do with the commencement of the disturbance, went on deck, saw that the second officer and the third engineer were grievously beset, went back to his cabin, returned with a revolver, and fired four shots into the winch. Finding that these reports had no effect on the mob he fired two shots amongst the crowd and injured two of them. Then they all rushed off the vessel and the deck was left clear except for the presence of broken basins, pieces of wood, and other things they had used as missiles. The police signal had been flying two hours, but it was not seen, because no one was on the look out, and an officer had to be sent to the Water Police Station before police assistance arrived. When the defendant fired the moment was a critical one. There was no one to relieve or release the two officers from the danger, and if the shots had not been fired at the time the men would

have lost their lives or would have been very seriously wounded. If the jury were satisfied that the shots were fired to save the lives of the two men, his Lordship would doubtless tell them that the defendant was justified in firing to prevent the commission of the crime of wilful murder.

After hearing some evidence for the defence the Court adjourned.

25th July.

Further evidence for the defence was called.

Mr. Francis, in his final address to the jury, submitted that the defendant was perfectly justified in the action he took, as the lives of the second officer and the third engineer were in danger, and he fired the shots in order to prevent the crime of murder from being committed. He fired four of the shots into the winch, but as these had no effect on the coolies he fired a couple amongst them. It was by his conduct alone that the second officer and the third engineer were released from their perilous position.

The Acting Attorney-General replied for the Crown.

His Lordship, in summing up, explained the principles of law on the subject and said that if the jury were satisfied from all the circumstances of the case that the lives of the second officer and the third engineer were in imminent danger and that a possible felony was going to be committed, and that the defendant believed the only way that injury to life or body could be prevented was by acting in the way he did, and that he had reasonable ground for forming that opinion, then the jury would be justified in acquitting him. If the jury did not think there was any danger to life and that the means employed were not necessary then they would have to convict the defendant. Speaking of the origin of the disturbance his Lordship said—I must speak in strong terms of the origin of this affair. To my mind nothing could have been worse than the conduct of the second officer. We have been in this court three days, your time has been taken up, and the owners of the ship have probably suffered great inconvenience because of the rough, brutal, and violent conduct of the second officer. He acted by that coolie in a way which was certainly not justifiable. He assaulted him in the first instance and he assaulted him in the second instance. The shipowners probably know their business better than I, but if I were a shipowner and an officer acted like that second officer acted he would not remain in my service a moment longer. I have relieved my mind on this matter. It is a mercy the defendant is not standing his trial for murder; it is a mercy he was not the death of two persons all on account of the second officer's violence. I can only hope that so long as he and others like him come into this harbour they will remember that the Chinese are under the protection of the law of this colony, that they are not slaves to be driven as in a slave caravan in Egypt. You will recollect that the second officer told us it was his custom to treat coolies in the way he did. If that is his custom and it continues much longer, some day he will get what he deserves.

The jury retired at 4.15, and after an absence of twenty minutes returned a verdict of not guilty by a majority of six to one.

His Lordship considered that the jury had not considered their verdict for a reasonable time and asked them to retire once more.

The jury again retired and at 5.15 returned with the same verdict and with the same majority.

The Acting Attorney-General said he did not propose to proceed with the other charge concerning the second coolie, and a *nolle prosequi* was entered.

The defendant was thereupon discharged.

23rd July.

IN SUMMARY JURISDICTION.

BEFORE MR. T. SERCOMBE SMITH (ACTING PUISNE JUDGE.)

HUNG MAN YUK V. LALL SINGH.

Plaintiff brought an action against the defendant, a police constable, No. 609, to recover

\$250 damages for assault and battery and wrongful arrest.

Mr. Grist appeared for the plaintiff, and Mr. Robinson defended.

His Lordship said he did not understand the term "wrongful arrest." Did it mean false imprisonment?

Mr. Grist said that the plaintiff was really in prison for the time being, but he called it wrongful arrest; it was not a malicious arrest.

Mr. Robinson said he had intended to address his Lordship on that point.

Mr. Grist then said the term "false imprisonment" was better than "wrongful arrest."

The plaintiff was called and he stated that he was a merchant carrying on business at 48, Bonham Strand, and also at 32, Queen's Road West. He sometimes slept at the latter place. On the 5th inst., at 1 a.m., he rode up to 32, Queen's Road West in a ricksha. While the door of the house was being opened, defendant came up and asked him for his pass. Witness produced his annual pass and showed it to defendant, who then asked for his light. He then struck witness twice and dragged him along the Street. Near the Man On Insurance Company's office witness asked to be allowed to take a chair, but his request was refused and he was taken to the Police Station. He explained matters to the Inspector, who then told him to go, after asking him three or four times if he wished to sue the policeman.

By Mr. Robinson—It was not at the corner of Lower Lascar Row and East Street that witness first produced his pass; he produced it when asked outside his own door.

On Cheung, plaintiff's coolie, and Keung San, buyer, gave corroborative evidence.

P.S. Robinson spoke to the plaintiff being taken to the Central Police Station. As the pass was produced no charge was made. In cross-examination witness said the defendant had been in the force over six years. His character was good.

Mr. Robinson, for the defence, said the defendant totally denied the statement of the plaintiff.

Defendant said he met the plaintiff walking in the road and not riding in a ricksha. Witness asked him for his pass and he refused to show it, and therefore he was taken into custody. At the corner of East Street plaintiff produced the pass and then said he should complain of witness's conduct. Witness then told him he had better go to the police station and make the complaint.

His Lordship said he believed the plaintiff and his witnesses, and as he had simply brought the action to clear his character and as the defendant was a poor man the damages would be only \$50.

HONGKONG, CANTON AND MACAO STEAMBOAT CO., LIMITED.

The following is the report of the Board of Directors to the ordinary half-yearly meeting of shareholders, to be held at the office of the Company on Friday, the 31st July, at 12 o'clock noon—

The Directors beg to submit to the shareholders the report and statement of accounts for the half-year ending 30th June last.

After paying running expenses, salaries, premia of insurance, repairs and all other out-goings, there remains, including \$5,064.36 brought forward from last account, the sum of \$143,802.02 at credit of profit and loss accounts. From this amount the Directors recommend that a dividend for the half-year of 8 per cent on capital, or \$96,000, be paid to shareholders, and that the balance of \$47,802.02 be carried forward to new account.

Except on the Canton-Macao line, where they show a slight falling off, the earnings of the steamers compare favourably with those of the corresponding six months of last year, and the net result will no doubt be considered satisfactory.

During the period under review the *Honan* has undergone considerable repairs, the principal items being the renewing of main deck plates and the changing of the port paddle shaft, besides the usual annual docking and overhaul. It has also been found necessary to order from England a new starboard paddle shaft for this steamer, which will have to be fitted at an early date. The *Paterson* was laid up for the customary annual docking and repairs, which, however, call for no special comment.

The resolution to reduce the capital of the Company from \$1,400,000 to \$1,200,000, referred to in the last report, has been carried into effect, the return of \$5 per share having been paid on all but 268 shares.

In accordance with the others of association Mr. N. A. Siebs and the Honorable J. J. Bell-Irving retire from the Board of Direction by rotation and, being eligible, offer themselves for re-election.

The retiring auditors, Messrs. A. O'D. Gourdin and F. Henderson, also offer themselves for re-election.

E. R. BELLIOS,
Chairman.

Hongkong, 23rd July, 1896.

30th June, 1896.	ASSETS.	\$	c.
Value of 4 steamers and 1/2 of <i>Fatshan</i> ...		855,000.00	
Value of wharves		20,000.00	
Value of cargo-boat and wharf cargo shed		850.00	
Value of iron lighter <i>Sun Lee</i>		9,500.00	
Value of coal and stores		3,763.20	
Value of spare gear		6,221.45	
Value of furniture		750.00	
Value of shares in public companies		193,900.00	
Value of Chinese bonds		1,034.48	
Loans on mortgage		799,875.00	
Properties foreclosed		53,500.00	
Amount paid on account two small steamers, now building		16,666.00	
Cash with the Hongkong and Shanghai Banking Corporation on current account		9,847.60	
Premium on policies unexpired		9,899.22	
Interest accrued to date		1,025.53	
Sundry debtors		6,886.32	
		\$1,988,718.80	

30th June, 1896.	LIABILITIES.	\$	c.
Amount of capital, 80,000 shares of \$1.5 each, fully paid-up		1,200,000.00	
Amount of refund of capital of \$1.5 per share on 268 shares unpaid		1,340.00	
Amount at credit of depreciation and insurance fund		600,000.00	
Amount at credit of equalization of dividend fund		9,000.00	
Investment fluctuation account		12,442.14	
Unclaimed dividends		421.90	
Sundry creditors		22,212.74	
Amount at credit of profit and loss account		143,302.02	
		\$1,988,718.80	

30th June, 1896.	Dr.	\$	c.
To amount paid for repairs:—			
To steamers	\$36,576.90		
To wharves	355.53		
To lighters	154.87		
		37,087.30	
To expenses in connection with the reduction of capital	927.45		
To expenses of a trip to the West River	585.93		
To directors and auditors' fees	2,750.00		
To balance to be appropriated, viz.:—			
Dividend at 8 per cent. on \$1,200,000	\$96,000.00		
To be carried to new account	47,302.02		
		143,302.02	
		\$184,652.70	

31st Dec., 1895.	Cr.	\$	c.
By amount brought forward from last account	5,064.36		
30th June, 1896.			
By net earnings of steamers	126,390.63		
By interest on investments	33,403.02		
By realized profit on investment	18,966.99		
By unclaimed dividends written off	515.20		
By transfer fees	312.50		
		\$184,652.70	

30th June, 1896.	Dr.	\$	c.
To balance	600,000.00		
		\$600,000.00	
31st Dec., 1895.	Cr.	\$	c.
By amount at credit	600,000.00		
		\$600,000.00	

30th June, 1896.	Dr.	\$	c.
To balance	9,000.00		
		\$9,000.00	
31st Dec., 1895.	Cr.	\$	c.
By amount at credit	9,000.00		
		\$9,000.00	

JAPAN TIDAL WAVE RELIEF FUND.

Subscriptions already acknowledged \$3,600	
Since received:—	
China Fire Insurance Co.	50
China Traders Insurance Co.	50
F. Blackhead & Co.	25
N. Mody & Co.	15
Cawasjee Pallanjee & Co.	15
E. Pabaney	15
E. N. Mehta & Co.	15
A. Ebrahim & Co.	15
A. M. Essabhoy	15
Framjee Hormusjee & Co.	15
C. Rogge	10
J. D. Hutchison	10
Ko.	10
J. M. Armstrong	10
Tata & Co.	10
H. A. Esmail & Co.	10
P. F. Talati	10
D. S. Dady Burjor	10
M. H. E. Elias	7.50
C. Abdoola & Co.	7.50
R. S. Woonwalla & Co.	7
J. L. Chuttoo	5
M. B. Polishwalla	5
S. B. Bhabha	5
P. E.	5
F. C. Keeka & Co.	5
M. Ally	5
E. D. Kotewall	3
R. D. Vania	3
N. D. Ollia	3
H. N. Cooper	3
M. H. Katrak	3
J. A. Chinoy	3
P. C. Patell & Co.	3
	\$3,600.00

THE DAIRY FARM CO., LIMITED.

An extraordinary general meeting of the shareholders in the Dairy Farm Company, Limited, was held on the 27th July at noon, at the town depot of the Company. Dr. Noble presided, and there were also present—Captain Tillett, Messrs. G. Sharp, G. C. C. Master, W. H. Potts (Secretary), G. C. Cox, J. Walker, W. H. Ray, J. M. Machado, S. Deacon, and Ping Ui. The meeting was called to confirm the following resolutions passed at an extraordinary general meeting of the Company held on the 6th July. (1)—“That it is desirable to reconstruct the Company, and accordingly that the Company be wound up voluntarily, and that Mr. William Hutton Potts be and he is hereby appointed Liquidator for the purposes of such winding up.” (2)—“That the said Liquidator be and he is hereby authorized to consent to the registration of a new Company, to be named ‘The Dairy Farm Company, Limited,’ with a Memorandum and Articles of Association which have already been prepared with the privity and approval of the Directors of this Company.” (3)—“That the draft agreement submitted to this meeting and expressed to be made between this Company and its Liquidator of the one part, and ‘The Dairy Farm Company, Limited,’ of the other part, be and the same is hereby approved, and that the said Liquidator be, and he is hereby authorized, pursuant to section 149 of the Companies Ordinance 1865, to enter into an agreement with such new Company (when incorporated) in the terms of the said draft, and to carry the same into effect with such (if any) modifications as he thinks expedient.”

The SECRETARY read the notice convening the meeting.

The CHAIRMAN—Gentlemen, you have heard the notice convening the meeting read, and it only remains for me to propose the confirmation of the three resolutions.

Mr. SHARP seconded. Carried.

The CHAIRMAN—That is all the business before the meeting. That winds up the old company and starts the new. I may say that the new company have augmented their herd largely and have an ample supply of milk for all customers who may present themselves; in fact, we have a large surplus. We thank you very much for your attendance.

THE PUNJON MINING CO., LIMITED.

The Secretary of the Punjon Mining Co., Limited, advises us that he has received the following progress report on the work carried on during the month of June from the manager at the mines:—

Mining.—This has continued to have our very best attention and I am pleased to say good progress has again been made.

August Shaft 200 ft. Level.—This has now become a very busy point and is assisting materially in supplying ore for the mill. Our prospects here have improved since the date of my last report and I have no hesitation in saying they are now very encouraging indeed. The ore forming our western chute on the course of the E. and W. reef has now been found and men are now engaged driving and stopping on it. The ore is not yet so good as that seen in the intermediate level, but this is a matter which may come all right directly when it has been further opened on. On Gillies' reef, too, a promising change has taken place in the north drive. This is the finding of a chute of highly mineralized ore at a point about 226 ft. north of our No. 2 crosscut. Up to this time the reef is small (about 1 ft. 6 in. wide), but as it is letting out water very freely, I am in hopes that there is a larger reef ahead. It is poor for free gold, but assays of the mineral give fully five ounces to the ton. The ore as it is broken out of the place is worth about 15 dwts. per ton. The stopes on the course of our N. and S. reef have improved in value and are now giving fairly good ore for the mill.

In a crosscut we were driving at a point about 60 ft. north of our new shaft to intersect the course of the N. and S. reef we have come on to an ore body showing very fair quality ore occasionally. It is very much broken, however, but as it is in the direct line of the reef referred to, I am hoping it may prove of real value directly.

Intermediate Level.—All points at work here are without change to notice.

110 ft. Level.—The stopes over this level continue to give ore of fair quality for the mill. We have now commenced a drive to go out in a north-east direction in search of our western chute of ore, as we are of the opinion that it has never been seen at this level. A few weeks will tell you if this is so or not.

New Leader.—All the points at work here continue to fully maintain their output of fair grade ore and from appearances should not show any serious falling off for some months yet.

Drivage for the month

Ore mined

made up as follows:—

August Shaft

New Leader

Milling.—This was carried on during 26 days, crushing 1,060 tons, yielding 516 ozs. of melted gold.

Calining.—This was carried on during 28 days, treating 50 tons of concentrates, yielding 85 ounces of melted gold.

Cyanide Works.—This was carried on full time to the 15th June, when a stop was made for the clean up, which was completed on the 19th June and operations resumed. The works ran 26 days, treating 860 tons of tailings yielding 293 ozs. of bullion valued at £1 18s. 1d. per oz. Owing to our having run out of cyanide we are again cleaning up the tailings treated since the 19th June, which will amount to about 430 tons.

General.—Again a very large amount of work coming under this head has been carried on and fair progress made. The tailing pumps are completed and the concentrating buddles in the mill put into positions. All the main timbers for the water wheel are now ready to be put together and lifted into the wheel pit. The main race from the Jalis river to the mill is almost complete and the wheel pit is in a very forward state. About 6,000 bricks have been burned and other 6,000 are now ready for the kiln.

Large extensions to our roads into the jungle for firewood and other timbers have been made and all roads put in good order, so as to be ready for the wet weather we may shortly expect to experience here.

Labour.—The supply of this has become much more plentiful and men continue to come in daily.

Health.—This I regret to say has been very far from good.

Rainfall.—The total rainfall for the month is 34 inches.

RAUB.

The following is the Mining Manager's report for the four weeks ending 9th July, 1896:—

MINING.

Raub Hole, No. 2 Shaft South.—In the intermediate drive going south a decided change for the better has taken place. At 120 feet in from the winze the break met with in the level above was passed through. This break has thrown the lode a considerable distance to the south from its regular course. Immediately the break was passed through a decided change for the better took place. The lode began to open and show gold; we have now driven 22 feet on it, and in the face of the drive it is full 3 feet wide, showing very good gold. This development considerably improves the prospects of this section of the mine, which has not been over bright of late. Now that it is proved that the ore chute is going down I intend to push on driving at the 220 feet level. This level is in 156 feet south from the crosscut. I shall have to go considerably further than I originally expected to, owing to the ore chute being thrown so much further south. The stopes over the back of the intermediate drives as they rise towards the next level show an improvement both in the size of the lode and the quality of the ore. In the stopes going north the lode is small, 6 in. to 10 in. and shows very little gold. The main level going north at the 220ft. is now in 87ft. from the crosscut. There is no change either in the lode formation or in the country rock.

Bukit Koman, No. 1 Level.—The main level going north is now in 353ft. from the crosscut. The lode in the face of the drive is about 7ft. wide, but is a good deal disturbed by an intrusion of slate. There is about 3ft. of solid stone on the hanging wall sides, in which gold can be seen on breaking the ore. The ground in this end is very favourable for driving and good progress is being made. In the face of the level going south the lode looks very well indeed; it is 9 ft. wide, solid and well defined, between clean slate walls. Gold can be seen in the lode from wall to wall. It is making a lot of water in the face. The face of this drive is now in 372 feet from the crosscut. In the leading stope coming in over the back of this drive the lode is fully 20 feet wide and shows good gold right through, the whole of which is being sent to the mill for crushing. There is very little work being done in the rest of the stopes, as we do not require the stuff.

250 ft. Level.—The lode has been cut through at this level. It is 13 ft. wide on the south side of the crosscut and 12 ft. on the north side. Both the foot and hanging walls are clean and well defined slate. There is 4 ft. to 5 ft. of fairly good solid ore on the hanging wall side of the lode, the remainder being a mixture of quartz, diorite, and slate, in which a little gold can be seen. The whole width of the lode is payable, although not rich. As there is a good payable lode all along the bottom of the level above there is every reason to believe that the whole of the ground between the two levels (100 ft.) is payable. I have let a contract to drive 100 ft. north and south on the course of the lode. When these drives are advanced far enough it is my intention to resume sinking the shaft another 100 feet. The mine is making a lot of water, principally from the top level. The pump has to make 25 to 30 strokes per minute to keep it out.

Bukit Malacca.—This place is keeping up its reputation as a regular water hole. After sinking between 4 and 5 feet we were again swamped out and have not been able to see the bottom of the shaft since, the two 8-in. pumps making from 40 to 50 strokes per minute. Unless this place drains, much heavier pumping machinery will be required than any we have at Raub. I shall keep on pumping to see if the water abates. This additional inrush of water was caused by cutting some quartz leaders in the shaft. I do not think we can be far from the lode and I

think the rush of water is coming from it, the ground being very soft and open.

Western Lode.—There is no change to report from this section. The usual quantity of crushing stuff is being sent from here to the mill and prospect remain unchanged.

Battery.—On Monday, the 6th instant, a general clean-up took place for May and June, 2,565 tons giving a return of 1,008 oz. 15 dwt. 6 grs. smelted gold, the following being the proportion of stuff crushed from the different mines:—

Raub Hole	301½ tons
Western Lode	183½ "
Bukit Koman	1,779 "
Total	2,565 "

The return is below our late average, owing to a decreased return from the stuff crushed in May. I expect a better return from our next clean-up. After working all night to effect some repairs to the engine and mill, crushing was resumed at 6 a.m. on the 7th inst. Mill has been kept going full time since.

WM. BIBBY,
Mining Manager.

INTERVIEW WITH MR. BIBBY.

In view of the recent discussion by the Brisbane Board of Directors of the Raub Australian Gold Mining Co. of the proposed electric power installation at Raub, and the doubts which were expressed or rather hinted at as to the practicability of a now well-established branch of mining industry, a *Singapore Free Press* representative sought an interview with Mr. Bibby, the able Manager of the Raub Mines, who was leaving on the 22nd July for Raub, after a short visit to Singapore.

At the outset Mr. Bibby stated that the scheme for the present was not to be undertaken. It had practically been arranged that during the ensuing year operations were to be confined merely to developing the mines, and that at the end of that time the whole question was to be raised again should the prospects be found to be such as to warrant the proposed expenditure. And in view of the Directors deciding not to erect such an installation further enlargements would probably be made to the battery power, which new instalments would in all probability be transferred towards Bukit Koman, to some more central site as regards the present and prospective operations of the mines. By going to Bukit Koman they would be within easy distance of a plentiful water supply, and even if they could not get sufficient water from the Sungai Koman locally, they would be able to draw supplies from the Simpam river, whilst the battery would be in such a position as to render future extensions practicable were it decided eventually to erect an electric power installation.

Questioned as to the feasibility of such an installation at Raub, Mr. Bibby stated that it was proposed to derive their water supply between Latta Tinbum ("The Falls of the Mist") and Latta Chindram, the first of which is 120 feet high and the second about 60 feet, which would give an effective fall of about 320 feet, the intervening distance between these two falls being occupied by a series of small rapids. To convey the water from the river to the power station would necessitate 1,860 feet of "fluming," the conduits or troughs having a sectional area of 9 square feet. The water would then be taken from a small reservoir in steel pipes 26 inches in diameter for 2,500 feet, and there it would be applied at the end of this water "lead" to the Pelton generators, which are the most effective water motors known. From these the power would be transferred by copper cable from the generating station over rough hilly and uninhabited country, some 2,000 or 3,000 feet high, to the centre of the mining operations or wherever power was wanted, the voltage of the supply being about 10,000 volts, sufficient in fact to kill any living thing unwarily coming into contact with the cable. On reaching Raub the voltage would be reduced to more moderate tension by means of a "step-down transformer," just before entering the distributing station, where it will be applied to every purpose in connection with the mine for which power is wanted.

Electric motor power, continued Mr. Bibby, had long passed the experimental stage. A well-known Brazilian Company, possibly one of the largest mining organisations in the world, the Real del Monte Company, were erecting an installation of 2,000 horse-power, the power being transmitted a distance of 27 miles. Again, the Telluride Company, in Colorado, five years ago put up an experimental plant of 300 horse-power, and so well were they satisfied with it that they were now constructing a 1,600 horse-power installation to work and light the mines, in fact, to do everything about the mines. But there was no need to go further abroad than the other side of the Pahang hills to find successful instances of the working of electro-motors. At Rawang a very successful installation had been at work for some time now pumping the water out of four or five mines and lighting the workings, doing the work of three or four steam engines and thus saving the expense of running them, the proprietors, Lok Yew and Tambusamy Pillay, finding that they can do the work at one-third the cost of steam. Indeed, so well pleased are they with the success of their scheme that they have under consideration the erection of a 700 horse-power installation, to be supplied with water taken from falls far up the Selangor river. This power is to be conveyed to Kuala Kubu, Serendah, and Rawang, a distance of 14 miles. Mr. Foster, the Rawang electrical engineer, being up there at the present time in connection with the work. The installation is intended for pumping and lighting principally, but will also be useful as furnishing power for any small motors about the mines.

The first successful installation, perhaps, was in New Zealand, on the mines of the Pioneer Company in Otago province, where the battery has been driven by an electro-motor since 1884. The Company were sceptical at first about the merits of the new system of power, but they were compelled, owing to the scarcity of firewood, either to erect an electric power installation or to close the mine, and have apparently had no cause to regret the decision then taken. Everyone was aware of the successful installation at Niagara, which was at first scouted as an utter impossibility. They were now working at Niagara with a 28,000 horse-power plant, which was being used for every conceivable purpose, the Company transmitting power to the city of Buffalo, 22 miles away, and hiring out power to all corners at the rate of \$36 per horse-power per annum. On the opposite side of the Niagara river, the Canadian Electric Company had also inaugurated a 20,000 horse-power installation, which was used for lighting purposes and for driving paper mills, saw mills, and tramways, &c. In British Columbia, again, a 12,000 horse-power plant was in operation, transmitting power to Portland, a distance of 12 miles, which was applied in a variety of ways.

Even Japan was more go ahead than Australia, her numerous mountain water courses affording a splendid field for the installation of electric power. At Yokohama a 5,000 horse-power plant was in existence, which was used not only for lighting purposes but for working tramways and for driving cotton mills; and so satisfied were they in Yokohama that they were proposing to duplicate the plant at an early date.

Coming to the available water supply at Raub, Mr. Bibby said that during the present exceptionally dry season the gaugings on the Simpam river had never been less than 900,000 cubic feet an hour, and during eight months of the year the quantity would be five times as much. Then, again, the power could be duplicated almost indefinitely by going further up or down the river and making a longer pipe line. If they were to go a mile further up or down the river they could get an additional fall of about 200 feet, making 550 feet in all. In his opinion there was no question as to the practicability or the advisability of such an installation for Raub. When writing to the Pelton-Wheel Company and the General Electric Company of America recently he ventured to express doubts as to the reliability of their power, and both companies ridiculed the idea, guaranteeing that it was more reliable than steam or even any other hydraulic power.

and certainly more readily adaptable to a greater variety of purposes. In the event of such an installation being erected at Raub the electro-motors could be made use of for working the battery and for hauling, pumping, and lighting, and in fact for every purpose where power was wanted. Eventually, doubtless, they would work the railway by this means.

QUARANTINE AT MANILA.

The Manila *Comercio* has an article, in reply to comments that have been made in the Hongkong press, on the imposition of quarantine on arrivals from Hongkong. After some introductory remarks our contemporary says:—

According to the information we have received it appears that some months ago reports were received in Manila of the existence of bubonic plague in Hongkong, but these reports being of a private character did not give occasion for taking any active measures. At the beginning of June, however, alarming reports having been received, according to which not only was the mortality in the neighbouring colony great, but the epidemic had extended to Amoy, Canton, and other ports, the Consul at Hongkong was requested to furnish official information of the extent of the epidemic. The Consul replied that the epidemic was of a grave character, there having been that month, up to the 10th, 74 cases and 74 deaths, 13 being Europeans. With this official information, supplemented later by further details, Senor Javier Bores, who gives such attention to matters concerning the Centro Directivo, summoned the Sanitary Board, which, including amongst its members merchants and ship owners, unanimously decided that the sanitary laws should be applied in their full rigour, all ports in which the epidemic had broken out being declared infected. This rigour has been maintained, notwithstanding that representations have been made alleging a decrease of the epidemic.

Before taking these measures, and while waiting for official information, three days' observation were imposed on arrivals from the infected port, which were later on converted into the quarantine prescribed by the sanitary laws.

The last despatch from the Consul at Hongkong, bearing date the 10th July, states that in the month of May last there were 345 cases, 114 in June, and in the first few days of July 20 only, and he urged, in view of the decrease of the epidemic, a relaxation of the quarantine to which vessels are subjected, this request being made in the interests of commerce.

The Director Civil, being responsible for the rigorous enforcement of the sanitary regulations, was unable to accede to the petition of the Consul at Hongkong, because a focus of epidemic exists in the said colony and while it is unextinguished, and until fifteen or twenty days (as the law determines) have passed without any case being reported, the sanitary measures established by the authorised Board will be maintained.

Measures such as those adopted on the present occasion have prevented the invasion of other epidemics which have declared themselves in the Far East, as for instance two of cholera at Singapore and the plague at Hongkong last year and this year, epidemics which, occurring during the period of General Blanco's command, have been warded off by the rigorous measures adopted, the Government accepting the responsibility conformable with the fulfilment of the sanitary laws.

These are the reasons which have obliged, and still oblige, our authorities to adopt the measures which have been so ill-judged by the press of Hongkong, and to this history of the matter in question we will add some further official information kindly supplied to us by Senor Bores referring to the development of the epidemic at Hongkong from December, 1895, to May, 1896, obtained, on application, from the Consul at Hongkong:—December, 8 cases and 6 deaths; January, 47 cases, 34 deaths; February, 122 cases, 96 deaths; March, 170 cases, 151 deaths; April, 317 cases, 277 deaths; May, 345 cases, 324 deaths, and June 114 cases, the number of deaths being unknown. This is the statistical position of the epidemic at

Hongkong. It will be seen, then, that the measures taken by the Government concerning the quarantining of vessels from the infected ports not only rest on a legal basis, being in accordance with the law in force, but that they are wise and prudent.

With reference to the above article, we understand that the Spanish Consul wired to Manila officially the outbreak of the plague as soon as he had official news from the Colonial authorities of Hongkong and of course before the Spanish officials asked him for the same. He has since wired on several occasions and written officially, giving the Hongkong official returns, by each steamer cleared for Manila. That is the real version. Since the 13th June the Consul has officially notified Manila that the plague was decreasing and he never said that the epidemic was of grave character.

We have received another letter from Manila on the subject of the quarantine established in the Philippines against Hongkong. The writer suggests that the Hongkong Government should make representations to the Philippines Government through the British Consul at Manila, and goes on to say:—Before closing I must mention a recent occurrence in connection with the quarantine established. Captain Harrison, the well known commander of the sailing vessel *Esmeralda*, sailed from this port for the Marianne Islands. On arrival at the port of San Luis de Apra Guajan, notwithstanding that the voyage had occupied no less than thirty-five days, the Sanitary Authority of that port imposed fifteen days rigorous quarantine for the mere fact that the vessel had come from Hongkong, and further ordered that the quarantine should be effected at the Lazaretto of Mariveles, although there had been no sickness on board. Did any one ever hear of such ignorance! Does this official know the distance separating the Mariannes from Mariveles and the time the voyage occupies even in favourable weather? I very much doubt if he knows where Mariveles is, or he would never have displayed such crass ignorance.

BOYD & CO., LIMITED.

The following is the report of the Board of Directors for presentation at the fifth annual general meeting which was to be held at Shanghai on the 28th August:—

In submitting their report with statement of accounts for the year ending 30th April, 1896, the directors congratulate the shareholders on the exceptionally favourable results shown, which far exceed any previous year on record.

These results have been attained partly by the exceptional demand for dockage and repairs caused by the late war, and partly by the expansion of local industries.

The net earnings for the year, including amount brought forward from last account (Tls. 9,758.07) and interest on investments (Tls. 7,348.98) and allowing for all known liabilities, stand at Tls. 259,867.24 Less directors' and auditor's fees ... Tls. 2,300.00

Tls. 257,567.24
The reserve fund, standing at Tls. 100,000, is fully invested, and the directors have decided to add it the sum of Tls. 60,000, and they propose to make the following appropriations:—

	Tls.
1st—Amount to be added to reserve fund	60,000.00
2nd—Amount to be placed to maintenance and depreciation account	20,000.00
3rd—A dividend of 12 and 3 per cent.— Tls. 15.00 on ordinary shares.....	117,000.00
4th—A dividend of 3 per cent.—Tls. 117.00 on founders' shares ...	23,400.00
5th—Amount to be carried to new account	37,167.24
	Tls. 257,567.24

In accordance with clause 98 of the articles of association, one of the directors, Mr. C. W. Hay, will retire, but being eligible offers himself for re-election. The accounts have been audited by Mr. J. D. Thorburn, who offers himself for re-election.

PROFIT AND LOSS ACCOUNT.

23rd July, 1895.	Dr.	Tls.
To dividends paid on 7,800 ordinary shares, Tls. 12 per share		93,600.00
To maintenance and depreciation account 1895		15,000.00
To reserve fund 1895		25,000.00
To directors' and auditor's fees 1895		2,300.00
To balance carried down		9,758.07

Tls. 145,658.07

30th April, 1896.	Tls.
To balance	259,867.24

Tls. 259,867.24

30th April, 1895.	Cr.	Tls.
By balance of last account		145,658.07

Tls. 145,658.07

23rd July, 1895.	Tls.
By balance brought down	9,758.07
30th April, 1896.	
By interest on sundry investments	7,348.98
By net earnings for the year	242,760.19

Tls. 259,867.24

BALANCE SHEET.

ASSETS.	Tls.
Property account— Land and buildings in Pootung, and the "New Dock"	423,337.68
Plant account— Machinery and gear at engine works and new dock, and pumping gear	151,104.18
Stock account— Value of materials at engine works and new dock	305,956.21
Furniture account— In offices and dwelling-houses	2,218.42
Cash account— Cash in hand Hongkong and Shanghai Bank	24,307.19
Interest account— Interest accrued with Hongkong and Shang- hai Bank	982.98
Reserve fund—Investment account— Tls. 25 Canton Insurance shares	2,087.50
45 North-China Insurance shares	6,390.00
35 Yangtze Insurance shares ...	1,715.00
30 Union Insurance shares	1,860.00
105 China Mutual S. N. Co. Pref. shares	3,675.00
100 Taku Tug and Lighter Co. shares	6,000.00
54 Shanghai Tug Boat Co. shares	5,124.58
8 Co-op. Cargo Boat Co. shares...	800.00
50 Shanghai Cargo Boat Co. shares	6,250.00
9 bonds Chinese Gov. loan E.....	2,250.00
Fixed deposits with Hongkong and Shanghai Bank	63,847.92
	100,000.00
Sundry debtors— Accounts in course of collection	247,065.75
	Tls. 1,254,952.31

LIABILITIES.	Tls.
Capital account— 7,800 ordinary shares at Tls. 100	780,000.00
200 founders' shares at Tls. 100	20,000.00
	800,000.00
Improvements account— Balance from last account	22,282.53
Less expended 1895-1896	3,762.74
	18,519.79
Maintenance and depreciation account— Balance from last account	10,439.73
Appropriation, 30th April, 1895	15,000.00
	25,439.73
Less expended 1895-1896	14,970.00
	10,469.73
Reserve fund— Amount at credit of this account	100,000.00
Sundry creditors	60,095.55
Profit and loss account— Balance at credit of this account	259,867.24
	Tls. 1,254,952.31

The *Shanghai Mercury* says:—We have very seldom had occasion to record highway robberies in the upper reaches of the Yangtze; but a case of this sort has just come under our notice. Mr. Archibald Little, of Ichang, was sending some bales of cotton yarn to Chungking in a cargo-boat, when about halfway between the two forts she was boarded by a band of armed robbers, who had the boat at their mercy and removed some of the bales. But we are glad to say that before they had time to make away therewith they were captured by the Magistrate in whose jurisdiction the piracy was perpetrated.

THE "ILTIS" LOST IN A TYPHOON.

GREAT LOSS OF LIFE.

[SPECIAL TELEGRAM TO THE "DAILY PRESS."]

SHANGHAI, 29th July.

The German gunboat *Ilia* was totally wrecked in a typhoon on Thursday last on Flat Rocky Point, Sangkan Bay on the eastern coast of the Shantung Promontory.)

Seventy-seven men and all the officers were lost, including Commander Braun, Lieutenants Holbach, Franstadter, and Prasse, and Dr. Hildebrandt. There was no Paymaster on board.

Ten men were saved.

[The *Ilia* has been on this station since 1887. She was a gunboat of 489 tons displacement, 139 ft. 8 in. long, and 25 ft. 1 in. beam. She was launched in 1878.]

HONGKONG.

A big dose of sunshine, several heavy showers and a gale which was the fag end of a typhoon have given us something to talk about in the weather line this week, and the visit of a circus has provided some evening amusement. On Wednesday the Legislative Council met and passed a few bills. The shooting case on the German steamship *Martha* has resulted in the acquittal of the defendant. News has been received of the loss of the German gunboat *Ilia* in a typhoon on Thursday last on the Shantung Promontory, with a loss of seventy-seven lives, including all the officers. Only ten men were saved.

The P. & O. steamer *Palawan*, which left on Saturday for home, had on board a hundred and ten time expired men and other details from the Navy.

H.M.S. *Grafton*, carrying the flag of Rear-Admiral Oxley, arrived on the 22nd July and the usual salutes were exchanged. The *Grafton* relieves the *Elgar*.

The Registrar-General's returns of births and deaths for the quarter ended 30th June shows that for the British and Foreign community the birth-rate was 16.86 and the death rate 22.36, and for the Chinese community the birth rate was 2.71 and the death rate 23.65.

The China Merchants steamer *Chiyuen*, which arrived on the 27th July from Shanghai, reports that at 9 a.m. on the 24th July she spoke the steamer *Strathesk* at anchor fourteen miles S.E. by S. from Patahecock with her propeller disabled and in want of assistance to tow her to Shanghai.

On Thursday afternoon a Danish seaman named Hans Jansen was working over the side of the American ship *Sintram* when he fell overboard and was drowned. His body has not yet been recovered. The deceased was formerly on the *Glen Caladh* which caught fire in the harbour, and after this occurrence he was transferred to the *Sintram*.

Mr. S. T. Moore, an overseer in the Public Works Department, died suddenly on the 22nd July in the Government Civil Hospital. He had been at his work until Tuesday, but as he was suffering from pains in the head, he then went into hospital, where he died about half-past three yesterday morning. He leaves a widow and a large family.

At the Police Court on the 23rd July, before Hon. Commander Hastings, a Chinaman was sent to gaol for three months for stealing a silver watch and chain from 3, Blue Buildings. The property belonged to C. H. G. Wilkinson, of the Naval Yard, and it is supposed that the prisoner climbed a telephone post, jumped on to the verandah, and stole the watch and chain from prosecutor's clothes.

There was one case of plague on the 21st July, none on the 22nd, two on the 23rd, one on the 24th, one on the 25th, one on the 26th, one on the 27th, and none on the 28th. We much regret to learn that on the 27th Miss McIntosh, one of the sisters at the Civil Hospital, who has been in attendance at the Plague Hospital, was pronounced to be suffering from the disease. She is, we are glad to say, progressing favourably.

It is notified in the *Gazette* that Dr. Carrington, Chief Justice, has been appointed Chairman of the Board constituted under the Squatters Ordinance.

At ten o'clock on Tuesday morning the *Edgar* left this station for England. Unfortunately a heavy shower of rain fell soon after the buoy was left, and consequently the hundreds of sailors who had mounted the rigging of the men-of-war in the harbour to give their departing friends a warm send off got drenched, but nevertheless there was no mistake about the heartiness of their lusty cheers, and, judging by the ringing responses, the *Edgar* men warmly reciprocated the friendly feeling evinced.

A Chinaman was on Monday sent to prison for two months for practising a somewhat ancient but still very common dodge. He has been in the habit of passing himself off as a humble fitter in the employ of the Government and by this means he has succeeded in finding flaws in perfectly sound taps in Chinese houses. After alleging scandalous waste of water he has offered to "square" the case for a bribe, and in many instances money has been given to him. On Sunday night, however, he tried the trick once too often. He went to the house of a police interpreter at West Point, went through his regular—or irregular—business, and demanded 50 cents. In two minutes he found himself lodged in the Police Station, and he will not be set at liberty again for two months.

Mr. St. C. Michaelsen has two "unmuzzled ferocious dogs" at his residence at Hillside Peak. One, a large black Chinese dog, bit a chair coolie on the 18th inst., and injured his leg. The coolie was paid a dollar, but he thought the injury was worth \$5, and so he summoned Mr. Michaelsen at the Police Court on the 21st July. The Magistrate, Hon. Commander Hastings, declared that the dog had lost his character. Then a Chinese detective came forward with a complaint about another unmuzzled ferocious dog. He went up to the house and was met by a fox terrier which resented his intrusion by biting him. In this case Mr. Michaelsen paid \$2 compensation and the Magistrate ordered a conviction to be recorded against the fox terrier.

A houseboy and a coolie in the employ of Mr. A. P. McEwen were charged at the Police Court on the 21st July, the former with disorderly conduct and the latter with assaulting the police and attempting to rescue the boy from custody. P.C. Samuel heard the boy making a great disturbance at the Peak tramway station and told him in Chinese to be quiet. The boy thereupon hissed some very bad "English" words he had learnt and persisted in his noisy conduct. The constable arrested him, and then the coolie kicked and struck the officer and tried to get the boy free. He failed hopelessly in the attempt, and in a very short time both the unruly ones were locked up. The boy was ordered to pay \$5, with the alternative of fourteen days, for the display of his little and dangerous knowledge of a foreign tongue, and the coolie was sent to gaol for fourteen days without the option of a fine.

Major Moore had a unique experience early on Friday morning. He was sleeping soundly in his bed at the Peak Hotel when a tile of no mean proportions rattled down and fell plump about two inches from the gallant Major's nose. Of course this unwelcome intrusion of the lively though inanimate visitor woke the sleeper, who resolved then and there to go on an exploring expedition. To assist him in his researches he took with him a cane and it was not long before his diligence was rewarded. He found that a contractor had started taking the roof to pieces, or something of that kind, and in reply to the Major's remonstrances the contractor was insolent, whereupon the Major brought the stick down on the back of the contractor. The contractor did not seem to appreciate this method of teaching him not to again work carelessly at an unearthly hour in the morning, and he summoned the Major at the Police Court on Saturday. The Magistrate, Hon. Commander W. C. H. Hastings, decided to bind Major Moore over in the sum of \$1 to keep the peace for a week. Should another brick come down in the meantime, will the gallant and popular Major lose the dollar?

The intense heat which prevailed until a few days ago played sad havoc. Several deaths from heat apoplexy resulted, and many residents were laid prostrate by the fiercely high temperature. Early on the morning of the 23rd July Francis Drysdale, a bailiff attached to the Supreme Court, died very suddenly. He was appointed to the post only last Thursday and was at work up to yesterday mid-day. There is no doubt that he succumbed to the heat. He was formerly in the Naval Yard Police.

At the Police Court on the 22nd July, before Hon. Commander W. C. H. Hastings, Mr. A. A. D. Sassoon was summoned for failing to comply with a notice to abate a nuisance on the first floor of 8, Kwai Wa Lane. Dr. Clark spoke to visiting the premises on the 16th inst. The floor was tiled with the exception of a small portion, about 4 feet by 2 feet 6 inches. That portion was covered with a boarding with apertures below, showing the ground floor in the room below. An application had been made for the first floor to be licensed as a common lodging house, but witness had recommended refusal until the floor was better lighted. Inspector Reidie said he served the notice on the 16th May, but the floor was in the same condition when he visited it on the 17th inst. Mr. R. K. Leigh was called by Mr. Deacon for the defence, and he gave it as his opinion that the place was not insanitary. The Magistrate inflicted a fine of a dollar.

The Registrar-General, in his report for 1895, says:—The repeal of Part III. of Ordinance 11 of 1890, which enforced the registration of brothels, has resulted, as was anticipated, in a large increase in the number of what are termed "sly brothels," i.e., those which have no sign-board and are not used as public houses of entertainment. In September the number was estimated by the Police to be 124 and the number of inmates 424. These brothels are largely used by pimps as places of assignation for married women, and as it is known that in them young girls are introduced to a life of prostitution by their owners, they have been searched from time to time under warrant and rescues have been effected of girls who were dealt with under the Ordinance. Most of the sly brothels only occupy one floor of a house and some even only half of a floor. The increase in their numbers is naturally very prejudicial to family life among the poorer classes, and has been viewed with great dissatisfaction by the Chinese, but they cannot be persuaded to take the prescribed legal proceedings against brothels, as that would entail an appearance in the witness box, from which they have a great aversion.

Police Constable Hoggarth has cause to reflect on an interesting psychological problem. He escaped without any bodily injury when arresting the Wanchai murderer a few months ago, but when on Sunday night he arrested three British bluejackets he not only sustained a very nasty discoloured eye and a swollen cheek, but his trousers were torn and his uniform cap and whistle lost. The explanation of the two extreme methods of treatment he received is perhaps to be found in the fact that the murderer was a low, uncivilized brute and too proud to soil his fingers on a "foreign devil's" flesh, while the Jack Tars had doubtless been to school and taught modern civilities and given injunctions to love peace and concord. The sailors belong to the *Edgar*, and their names are—J. Green, an Englishman, J. Ainsley, a Scotchman, and J. Donagan, a Welshman. They had had rather a boisterous and wet night ashore and late in the evening Ainsley misbehaved himself in the middle of the road at Wanchai. The police man told him to conduct himself properly and then there was a general row, in which the three men participated. Hoggarth knocked two of the men down, but before assistance arrived he was very cowardly assaulted, his eye being blackened, his cheek puffed up, and his trousers torn in the scuffle. However, the three men were eventually got to the Police Station and on Monday they were taken before Hon. Commander Hastings. Each man was sent to gaol for twenty-eight days with hard labour, and further ordered to pay the constable \$2 compensation for the damage to his uniform, in default to be imprisoned for a further term of ten days.

It is not yet known what procedure will be adopted by the Chinese authorities in regard to the murderer Lai Mit, but it is thought he will be tried at Nam Tau, and if so the witnesses in the case will be sent there whenever they are wanted. Of course the prisoner might be brought over to Kowloon City, but this is not considered likely. The detective U Po is one of the strongest men in the force, tall, well built, and possessing a very intelligent face, and the police officials naturally hope that the Government will specially recognise his smart conduct in tracking down the murderer.

MISCELLANEOUS.

Captain Walker, late of the *Belgic*, has been appointed to the position formerly occupied by Captain Walls, as superintendent of the godowns and yards of the Pacific Mail and O. & O. Steamship Companies in Yokohama.

The laying of the cable between Nagasaki and Kelung was to be commenced from Nagasaki on the 12th inst. and it is expected that telegraphic communication between the two places will be opened about the 15th of next month.

The Osaka Shosha Kaisha, the Osaka Steamship Company, many of whose steamers have been employed by the Japanese Government as transports, has declared a dividend at the rate of 20 per cent. per annum for the past half-year.

News has been received, says the *N. C. Daily News*, of a rather serious outbreak in the district of Tungchow, Hupeh, in the vicinity of the Yellow River, in Hsueh prefecture. As usual, the Kolao Hui are reported to be assisting the insurgents.

The Japanese Government has decided to disburse 500,000 yen out of the Second Reserve Fund for the relief of the distress resulting from the calamity in the North. The proportion is 300,000 yen for Iwate, 150,000 yen for Miyagi, and 500,000 yen for Aomori.

The *Mercury* of the 24th July says:—His many friends will regret to learn that, on account of prolonged illness, Captain McEuen is about to absent himself on leave, hoping to return in health. He leaves for London by the *Empress of Japan* to-morrow, and we wish him a pleasant voyage and a speedy recovery.

The buildings for the new mint at Nanking, projected last year by H. E. Chang Chih-tung when acting Viceroy, have been completed and the foreign machinery was placed inside last week. Work on coining silver dollars, subsidiary coins, and copper cash will commence some time during the current month.—*N. C. Daily News*.

The *Amoy Gazette* of the 21st July says:—We very much regret to have to announce the death this morning at the Roman Catholic Mission House, Amoy, of the Right Reverend Bishop Sanchez, O.P., who succumbed to an attack of typhus fever after an illness of but six days. His lordship had been here barely a year as Bishop, and up to a week ago seemed to be in his usual good health. The deceased prelate was a man of charming personality and great amiability, which gained him the esteem of all he came in contact with, and his premature demise comes as a terrible blow to all who knew him. This is the third Bishop who has died here within the past three years, and we feel sure we are voicing the general sentiment when we offer to the Roman Catholic missionaries of this district our deepest sympathy.

We have before us a copy of the bill of sale to Mr. T. T. Fergusson, dated the 5th of July, 1864, of the property at Chefoo of which the foreshore was lately granted by the Chinese to Mr. Smith for a Russian Company. The contract is in French, the property having been then a part of the French Concession at Chefoo, and it is signed by the French Vice-Consul, in virtue of the perpetual lease concluded in December, 1862, and bearing the seal of France and of the Taotai. The land, according to the bill of sale to Mr. Fergusson, is bounded "on the West by the sea," and he is given the fullest rights over it "comme étant son bien," and it is obvious that in view of the existence of this, no Chinese authority can now make over to any third person anything between Mr. Fergusson's property and the sea.—*N. C. Daily News*.

So great were the devastations of the Taiping rebels upon the resources of Nankin that the agricultural prosperity of the city has not been restored, even now, after over a score of years, to anything like what it was before. Tens of thousands of acres of fertile land are still lying waste and the Viceroy is now taking into his hands to have them turned into productive fields again. Deputies have been sent to various districts to report upon the extent of uncultivated ground in each district, and proclamations will be issued with a view to distributing the same to applicants, especially to disbanded soldiers and men of no occupation.—*Mercury*.

COMMERCIAL.

TEA.

SHANGHAI, 24th July.—(From Messrs. Welch, Lewis & Co.'s circular).—The *Oonfa* (s.) with first Hankow Black Teas arrived in London on 13th instant, and apparently they have received the coldest reception possible. A few profits have been made; but as far as we can ascertain not more than a tenth of her cargo has been sold. It is painfully evident that China Congou as at present prepared is no longer acceptable to English palates, and the trade thither is doing unless improvements are made in curing, and the taxations on this side abolished. No news has yet been received from Moscow. Black Tea.—Nothing doing. Most of the stock is only represented by chest musters, the bulk being kept at Hankow or Kiukiang till wanted.

Settlements reported are:—
Ningchow. 549 1/2 cts. at Tls. 15.00 to 18.00 a picul.
Oonam ... 277 " " 11.00 to 18.00 "

Total ... 826 1/2 chests.

Stock—23,524 half-chests, against 17,937 half-chests at same time last year.

Green Teas.—The remarkable decrease in shipments to the United States and Canada would be encouraging, if it had not been caused by artificial means. Shipments to London are going forward too rapidly when the heavy stocks already held there are taken into consideration. The probable total yield this season promises to be some 20 per cent smaller than that of last season, which will give 22 to 23 millions pounds available for export to America and England. Pingsueys.—The New York valuation on small mus ers received here on 13th instant were about 10 per cent under prices which had been offered by buyers, and refused before the combination to withhold these Teas from the market had been made. No anxiety is shown to break the agreement either by buyers or sellers, and apparently no inconvenience is being felt in America by the detention of supplies. Local Packs and Wenchows.—Second packs are now being offered, and as is usual they show a falling off in cup qualities. Country Teas.—Fychows have been the descriptions most dealt in, and these have been bought at prices which medium to good Tienkais have been realising in home markets. The few Tienkais which have arrived are similar to last season's Teas from these districts, and have found buyers at about 25 per cent under last season's opening prices. The Teas which have attracted most attention have been "finest" Moyunes: they possess more fragrance and are superior in water to the average crops of late years, but the appearance of the first Young Hysons in many cases has again been sacrificed for the sake of extra first lines. Prices are 15 to 20 per cent under last year's opening prices. No "crack" chops of Tienkai or Moyune have come to market. Hysons.—Finest to choice Moyune and Tienkai Hysons have been in eager request at irregular prices up to Tls. 38 a picul.

EXPORT OF TEA FROM CHINA TO GREAT BRITAIN.

	1896-97	1895-96
	lbs.	lbs.
Canton and Macao	1,778,140	2,588,358
Shanghai and Hankow	12,033,408	11,480,835
Foochow	5,976,756	7,509,809
	19,793,298	21,578,002

EXPORT OF TEA FROM CHINA TO UNITED STATES AND CANADA.

	1896-97	1895-96
	lbs.	lbs.
Shanghai	2,459,775	8,104,571
Amoy	3,099,777	5,023,581
Foochow	1,131,222	1,608,212
	6,690,774	14,736,364

EXPORT OF TEA FROM CHINA TO ODESSA.

	1896-97	1895-96
	lbs.	lbs.
Shanghai and Hankow	18,633,397	26,706,243

EXPORT OF TEA FROM JAPAN TO UNITED STATES AND CANADA.

	1896-97	1895-96
	lbs.	lbs.
Yokohama	5,007,132	11,575,044
Kobe	3,180,870	6,007,908
	12,188,002	17,582,947

SILK.

CANTON, 29th July.—Tsattees.—For Europe there is nothing doing. The demand for Bombay continues fairly steady. Re-reels.—America still abstains from buying and offers of filatures and re-reels meet with no response. Sellers at \$475 for No. 1 Grantreeled cannot find buyers. Filatures.—The general aspect of the fortnight has been dull, especially during the latter part. From prices paid we quote: \$520 for Kwong Lun Fung 10/12, \$540 for Siu Lun Cheong 10/12, \$575 for Kwong Sun On, \$515 for Koun King 14/1, \$475 for King Wo Cheong 18/22, 6 crop; \$505 for Wing Yu Lun, 9/11, and Yee Wo Loong, 9/11, \$590/55 for Kwong Shun Hang 11/18 and 13/15, \$600 for Kwong Shun Cheong 13/15, \$572 1/2 for Cai Sun Cheong 13/15, and \$577 1/2 for Min King Lun 16/18 S. R. 23 crop. Waste.—Is fairly steady at former quotations; some settlements are reported amounting to 400 bales. Stocks.—Tsattee, 1,000 bales; Filature, 3,000 bales. We append quotations in Canton, with laying down cost in London and Lyons, Exchange 6 months' sight 2/3 and Fcs. 2.83 1/2 per Dollar:—

Tsattee	No. 1	\$430	= 8/3
	No. 2	\$415	= 7/11 1/2
	No. 3	\$400	= 7/8 1/2
	No. 4	\$390	= 7/6
	No. 4 1/2	\$380	= 7/3 1/2
	No. 5	\$370	= 7/1 1/2

Filature 1st class	11/13	\$595 to \$585
1st "	13/15	\$595 to \$585
2nd "	9/11	\$590
2nd "	10/12	\$580
2nd "	13/15	\$560
2nd "	10/12	\$560 to \$555
3rd "	11/13	\$480 to \$460
3rd "	13/15	\$430 to \$460

Long-reels Suifam \$370

Re-reels Lacklow No. 1 \$475

No. 2 \$460

No. 3 \$445

No. 4 \$425

Mahang No. 1 \$430

Punjam Books No. 1 & 2 \$117

No. 3 & 4 \$73

Punjam Waste \$65

Steam Waste Extra \$90

Market Extra \$72

No. 1 \$53

Gum Waste No. 2 \$50

Re-reel Waste \$82

Pierced Cocoons \$64

Settlements for the fortnight:—

	1896-97	1895-96
For Europe ... 1,000 bales		300 bales.
For America .. 50 "		200 "
For Bombay .. 20 "		120 "
	[£ 150 piculs.]	[£ 100 piculs.]

SHANGHAI, 23rd July.—(From Mr. A. R. Burkill's circular).—London advices are to 21st current, and quote the T. n. of that market "firm" with Gold-Killings at 8/4 1/2 and Blue Elephants 10/6. Raw Silk.—We have again relapsed into almost complete inactivity. Prices are without quotable change, and native brokers declare that their principals will make no concessions. The differences between buyers and sellers remain much as before, and the prospect of a current business as remote as ever. All coarse Silks are extremely scarce and any but the barest supplies of 9/12 Moss or similar very doubtful. Tsattees.—The only quotation that has transpired is Tls. 417 1/2 for Red Pagodah 3. Taysnams.—About 30 bales White and Green Kabings have changed hands at full rates. Yellow Silks.—20 bales only are reported settled; estimates of the Yellow Silk crop are now to hand. In some cases there is an estimated deficit of 40/50 per cent., in others of 20/30 per cent. Arrivals, as per Customs Returns 16th to 22nd July, 1,776 bales White, 53 piculs Yellow, and 57 piculs Wild Silks. The export of Steam Filatures to date as follows:—To London 2 bales, Continent 24 bales, and America 121 bales. Waste Silk.—No transactions and only small arrivals; sellers' ideas are impossible of realization at present. Pongees.—A very small business in Shantung at unchanged prices.

EXPORT OF SILK FROM CHINA AND JAPAN TO EUROPE.

	1896-97 bales.	1895-96 bales.
Canton	5,522	2,887
Shanghai	4,160	12,042
Yokohama	23	—
	9,705	14,929

EXPORT OF SILK FROM CHINA AND JAPAN TO AMERICA.

	1896-97 bales.	1895-96 bales.
Canton	312	2,349
Shanghai	230	1,492
Yokohama	17	—
	559	3,841

CAMPBOR.

HONGKONG, 29th July.—Arrivals have of late been small and a recovery in prices has to be reported. Quotations for Formosa are \$45.00 to \$45.50. During the past week sales have been 100 piculs.

SUGAR

HONGKONG, 29th July.—The market has not been so brisk during the past week and prices have declined a little. Following are the quotations:—

Shekloong, No. 1, White...	\$7.20 to 7.24 per picul.
do. " 2, White...	6.57 to 6.59 "
Shekloong, No. 1, Brown...	4.43 to 4.50 "
do. " 2, Brown...	4.30 to 4.33 "
Swatow, No. 1, White...	7.12 to 7.15 "
do. " 2, White...	6.50 to 6.52 "
Swatow, No. 1, Brown...	4.40 to 4.42 "
do. " 2, Brown...	4.27 to 4.30 "
Soochow Sugar Candy	10.80 to 10.82 "
Shekloong "	9.35 to 9.37 "

MISCELLANEOUS EXPORTS.

The steamer *Hankow*, Hongkong to New York, 9th July, took:—6,652 packages Fire Crackers, 2,700 packages Cassia, 100 cases Cassia buds, 206 packages Rattan Furniture, 20 boxes China-ware, and 1,865 packages Merchandise.

The German steamer *Thekla*, Hongkong to Havre, 15th July, took:—25 cases Hair, 2 cases China Ink, 1 case Fans, 3 cases Vermilion, 32 cases Paper, 4 cases Blackwoodware, 180 cases Bambooware, 76 cases Bristles, 342 rolls Matting, 6 cases Chinaware, 196 bales Canes, 9 cases China-ware, 75 boxes Tea, and 6 cases Camphorwood trunks; for Havre option Hamburg:—200 boxes Camphor, 81 bales Canes, 17 cases Chinaware, and 5 bales Hair; for Havre option Hamburg option London: 222 cases Bristles, 433 cases Camphor, 10 cases Oil and 1 package Buffalo-horns; for Havre &/or Hamburg &/or London &/or Antwerp:—130 bales Feathers, and 63 cases Bristles; for Hamburg:—466 bales Canes, 2 cases China Ink, 501 packages Tea, 552 bales Feathers, 8 cases Cassia buds, 194 cases Bristles, 3 cases Chinaware, 4 cases Silk, 85 cases Palmleaffans, 3 cases Hair, 100 bales Chinacoot, 5 packages Rattanware, 8 cases Cassia Ligna, 500 packages Firecrackers, 35 rolls Matting, 5 packages Paper, 12 boxes Essential Oil, 100 bales Galangal, 15 packages Sundries, and 4 packages Oil; for Hamburg option London:—6 cases Bristles and 25 cases Teasticks; for Montevideo:—150 packages Tea; for New York:—10 cases Human Hair.

The steamer *Glenogle*, Hongkong to New York, 18th July, took:—1,325 packages Fire Crackers, 580 packages Cassia Ligna, 183 packages Matting, 75 packages Lily Bulbs, 23 cases Blackwoodware, and 60 packages Sundries.

The German steamer *Preussen*, Hongkong to Colombo, 21st July, took:—2 cases Merchandise; for Aden:—100 cases Cassia; for Genoa:—14 bales Canes, 10 cases Essential Oil, and 5 cases Chinaware; for New York:—10 cases Essential Oil; for Southampton:—2 packages Rattan Chairs; for London:—10 cases Essential Oil, and 3 boxes Gold, value \$122,500.90; for Antwerp/Hamburg:—10 bales Feathers; for Amsterdam:—92 cases Chinaware, and 25 cases Tea Sticks; for Bremen:—365 rolls Matting, 2 boxes China Ink, 2 boxes Tea, 1 box Silk Piece Goods, and 3 boxes Samples; for Rio de Janeiro:—2 cases Samples; for Liverpool:—26 bales Wool; for Hamburg/London:—14 packages Fire Crackers; for Hamburg:—500 cases Cassia Ligna, 500 packages Fire Crackers, 23 bags Gum Copal, 3 cases Cigars, 2 cases Merchandise, 6 bales Hemp Cloth, 2 rolls Matting, 42 bales Feathers, and 1 box Gold, value \$116,000.

for Antwerp:—269 bales Split Bamboo, 244 bales Feathers, 180 Bamboo Ware, 55 bales Rattan-core, 25 cases Tea, 12 rolls Matting, 9 cases Chinaware, 1 case M. O. Pearl Shell Ware, and 1 bale Straw; for Lisbon:—50 cases Chinaware; for Odessa:—200 cases Cassia, and 25 cases Staranised; for Milan:—62 bales Raw Silk.

The steamer *Melbourne*, Hongkong to London, 22nd July, took:—75 bales Raw Silk; for France:—383 bales Raw Silk, 18 bales Hair, 24 cases Silk Piece Goods, 50 cases Cassia, 1 case Merchandise, 519 packages Tea, and 27 packages Canes.

OPIUM.

HONGKONG, 29th July.—Bengal.—The market has ruled quiet. Quotations are \$700 for New Patna, \$712½ for Old Patna, \$712½ for New Benares, and \$730 for Old Benares.

Malwa.—There has been very little change in prices and business has been hardly up to the average. Closing quotations are as under:—

New	\$730 with allance of 1½ to 3 cts.
Old (2½ yrs.)	\$750 " 0 to 2½ "
Old (6/10 yrs.)	\$760 " 0 to 1½ "

Persian.—Transactions have been very few, and quotations close at \$550 to \$590 for Oily and at \$360 to \$645 for Paper wrapped according to quality.

To-day's stocks are estimated as under:—

New Patna	2,380 chests.
Old Patna	230 "
New Benares	280 "
Old Benares	34 "
Malwa	440 "
Persian	86 "

COURSE OF THE HONGKONG OPIUM MARKET.

DATE.	PATNA.		BENARES.		MALWA.	
	New	Old	New	Old	New	Old
1896.	\$	\$	\$	\$	\$	\$
July 22	700	710	715	730	730	750/760
July 23	700	712½	717½	730	730	750/760
July 24	700	712½	715	730	730	750/760
July 25	701½	712½	710½	730	730	750/760
July 26	702½	712½	715	730	730	750/760
July 27	703½	712½	717½	730	730	750/760
July 28	702½	713½	717½	730	730	750/760
July 29	700	712½	712½	730	730	750/760

COTTON.

HONGKONG, 15th July.—There is no change to report in the position of the market, prices being unchanged and the business put through was done at previous quotation. Stocks: Bengal, about 3,700 bales.

Bombay	\$12.50 to 15.50 p. pl.
Kurrachee	12.00 to 15.00 "
Bengal, Rangoon, and Dacca	15.00 to 15.50 "
Shanghai and Japanese	\$17.00 to 19.00 "
Tungchow and Ningpo	17.00 to 19.00 "
Madras	12.50 to 15.50 "

Sales: 800 bales Bengal, Rangoon, and Dacca.

RICE.

HONGKONG, 29th July.—The market is weak and prices declining. Closing quotations are:—

Saigon, Ordinary	\$2.20 to 2.22 per picul.
" Round, good quality	2.52 to 2.55 "
" Long	2.65 to 2.68 "
Siam, Field, mill cleaned, No. 2	2.22 to 2.24 "
" Garden, " No. 1	2.70 to 2.74 "
" White	2.97 to 3.00 "
" Fine Cargo	3.32 to 3.35 "

MISCELLANEOUS IMPORTS.

HONGKONG, 29th July.—Amongst the sales reported are the following:—

YARN AND PIECE GOODS:—Bombay Yarn.—50 bales No. 8 at \$69, 1,135 bales No. 10 at \$71.50 to \$79, 500 bales No. 12 at \$76 to \$81, 50 bales No. 16 at \$85.50 to \$86, 1,135 bales No. 20 at \$73 to \$95.50. *Gray Shirtings*.—300 pieces 8½ lbs. Blue Iron at \$2.65, 600 pieces 8½ lbs. Red Joss at \$2.55, 250 pieces 10 lbs. Shoemaker at \$3.50. *White Shirtings*.—500 pieces S. Q. at \$4.07½, 500 pieces Flower at \$4.57½, 500 pieces No. 600 at \$4.07½, 150 pieces Blue Lion at \$5.50. *Drills*.—150 pieces 16 lbs. Large Eagle at \$5.15. *Turkey Reds*.—800 pieces 10½ lbs. House at \$1.17½. *METALS*.—Tin.—100 slabs Foongchai at \$33.

SHANGHAI, 23rd July.—(From Messrs. Noel, Murray & Co.'s Piece Goods Trade report.)—There has been very little business reported in spot cargo during the past week, but this has in a measure, been made up by the increase in settlements for forward delivery which, if particulars were obtainable, would amount to a good

quantity. In English makes the goods that have received most attention are Heavy Shirtings, Fine White Shirtings, Sheetings, and Drills, but the two latter cannot compete with the American makes, of which large contracts have been made for delivery next spring on a sterling basis. Judging from the visible signs of the market prices are very steady for spot cargo, in some instances holders are asking for advances, but this state of things can scarcely be wondered at seeing that a great portion of available cargo is controlled by dealers. News from Tientsin indicate that the market is quieter there, but dealers are not complaining beyond the trouble and delay entailed in getting goods up the "Peiho," and as clearances into the interior have been good of late there is a possibility of seeing some improvement in demand ere long. The Newchwang market is better, and there is now a good demand for Drills from this dependency. Hankow is quieter, and there is no change reported from Ningpo.

Metals.—(From Messrs. Alex. Biefield & Co.'s report.)—24th July.—Trade is becalmed for the present, and locally values of Metals are inclined to weaken temporarily. Some improvement may be looked for in about a month's time. Home values continue to keep steadily on the higher ranges, and dealers have so far had their expectations of a fall disappointed, there apparently being no chance of their avoiding purchasing at high values as a result of their long holding off. New ventures are being discussed and progress is in the air. Sales during the week have been made as follows:—100 tons London Shoes 82/- "to arrive," 160 tons London Shoes at Tls. 1.77½, "spot," 50 tons Glasgow Shoes at Tls. 1.87, 50 tons Scrap Iron Tls. 1.56, 22 cases Copper Sheathing at Tls. 24.30, 200 piculs Galvanized Wire at Tls. 2.60/3.71, 800 piculs Cobbles at Tls. 1.60/1.98, 300 piculs Short Rods at Tls. 1.85/1.90, 50 piculs Tool Steel at Tls. 3.60, 450 piculs Hoops at Tls. 2.55, 1,100 piculs Plate Cutting at Tls. 1.78, 50 piculs Iron Chains at Tls. 1.81, 200 piculs Hoops at Tls. 2.80.

CLOSING QUOTATIONS.

WEDNESDAY, 29th July.

EXCHANGE.

ON LONDON.—

Telegraphic Transfer	2/2½
Bank Bills, on demand	2/2½
Bank Bills, at 30 days' sight	2/2½
Bank Bills, at 4 months' sight	2/2½
Credits, at 4 months' sight	2/2½
Documentary Bills, 4 months' sight	2/3

ON PARIS.—

Bank Bills, on demand	2.78
Credits, at 4 months' sight	2.82½

ON GERMANY.—

On demand	2.25
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ON NEW YORK.—

Bank Bills, on demand	53½
Credits, 60 days' sight	55½

ON BOMBAY.—

Telegraphic Transfer	186½
Bank, on demand	187

ON CALCUTTA.—

Telegraphic Transfer	186½
Bank, on demand	187

ON SHANGHAI.—

Bank, at sight	72½
Private, 30 days' sight	73½

ON YOKOHAMA.—

On demand	1½ pm.
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ON MANILA.—

On demand	16½ pm.
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ON SINGAPORE.—

On demand	1½ pm.
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SOVEREIGNS, Bank's Buying Rate

GOLD LEAF, 100 fine, per tael

JOINT STOCK SHARES.

HONGKONG, 29th July.—Rates have ruled firm pretty well all round during the week under review, buyers of most stocks meeting with no sellers. This unwillingness to part was most noticeable in Banks and Docks, but with few exceptions it has been the ruling feature of our market.

BANKS.—Hongkong and Shanghai have been in steady demand, but although the rate has gradually crept up to 192 per cent. prem. only a few shares have changed hands at that rate, with no intermediate sales. Market closes with sellers. The latest London rate is 244. Nationals have continued neglected with both ordinary and founders offering at quotations.

MARINE INSURANCES.—Generally have ruled quiet but steady with small sales at quotations.

China Traders are in a small request at \$78½, but are obtainable at \$79. Straits with persistent sellers from the North have again declined to \$27.

FIRE INSURANCES.—Both Hongkongs and Chinas have been weakish and have changed hands at \$332½, \$330, and \$331 for the former and at \$95½ and \$95 for the latter, market closing with sellers at \$332½ and \$95 respectively.

SHIPPING.—Hongkong, Canton, and Macao, after issue of their report have slightly improved and offers to buy at \$33½ and \$33½ have met with no response. A few shares are, however, obtainable at \$34. The report just issued is a good one, recommending a dividend of 8 per cent. for the half-year (against 6½ for last half-year) and carrying forward \$47,000 odd (against \$5,000 odd for last half-year). This good result has been obtained after an expenditure for extraordinary repairs to the s.s. *Honam*. Douglasses have continued quiet with small sales at \$65½ and \$66, market closing steady at \$66½. Indo-Chinas with shares still offering from the North have weakened further without sales to \$53½, at which rate shares are now obtainable. Both China-Manilas and China Mutuals are weak without business at quotations.

REFINERIES.—China Sugars have been neglected and weak at quotations and sales have been made as low as \$106. Luzons after further transfers at \$67 close quiet with sellers at that rate.

MINING.—Punjoms have continued to rule steady with small sales at \$14½ and \$14, closing steady at the former rate. The Manager's report, which may be seen in the *Daily Press* of this date, shows a very promising outlook and if the Management increases the number of stampers, as we believe they contemplate doing, the prospects of the Company should be brighter than they have ever yet been. Other Mining stocks neglected with little or no business at quotations.

DOCKS, WHARVES, AND GODOWNS.—Hongkong and Whampoa Docks ruled steady during the early part of the week, a fair number of shares changing hands at 187, 190, and 191 per cent. prem. and at 190 and 191 for August. At time of writing market closes firm with buyers at 191. At the ordinary meeting of Directors held on the 27th it was practically decided, subject to audit and the confirmation of the shareholders at the half-yearly meeting to be held in August, to appropriate the profits of the half-year ending 30th June—which amount to the handsome sum of \$623,547—as follows:—A dividend and bonus of 12 per cent., \$200,000 to reserve (making the fund \$400,000), \$20,000 to contributing shareholders, to write off \$51,500, and to carry forward \$157,000 to the new account. With this marvellous result of the half-year's working and when the large amount carried forward, the substantial reserve, the freedom from debt (except the Admiralty loan), and the promise of a good business for the current half year, are taken into consideration, the payment of another 12 per cent. dividend for the half year ending 31st December is pretty well assured. In fact it is an open secret that in the ordinary course of events the directors are in favour of such a payment. The present price of the stock will under these circumstances give a return of \$14.15 per cent. per annum for the next 7 months ending 15th March, when the next dividend will be about due; and we believe we are quite safe in saying that afterwards the Company will pay a steady dividend of at least 16 per cent. per annum. Wharves (Kowloon) have been quiet with small sales at \$53½ and sellers at \$54. Wanchais unchanged without business.

LANDS, HOTELS, AND BUILDINGS.—Hongkong Lands have changed hands at \$75 cum dividend and are wanted at \$73 ex dividend. Hotels have further improved with sales at \$28½. West Points remain unchanged and neglected.

MISCELLANEOUS.—Green Islands have changed hands at \$14½, Watsons at \$12.50 in fair lots, Electrics at \$6.75, and Campbell and Moores at \$6. The Dairy Farm Co., at a meeting of shareholders held on the 6th inst., and confirmed on the 28th inst., decided to reconstruct on the following scheme:—A capital

of \$75,000, of which \$50,000 is to be considered paid; old shareholders to get one new share for every old share, on which \$5 is considered as paid up and \$2.50 to be called up in easy instalments.

Closing quotations are as follows:—

COMPANY.	PAID UP.	QUOTATIONS.
Banks.		
Hongkong & Shanghai	\$125	\$365 sal. & sellers
China & Japan, prf.	£5	192 p. ct. prem. = nominal
Do. ordinary	£1 10s	nominal
Do. deferred	£1	£2, buyers
Natl. Bank of China		
B. Shares	£8	\$29, sellers
Founders Shares	£1	\$100
Bell's Asbestos E. A.	15s.	\$7, sellers
Brown & Co., H. G.	\$50	\$6, seller
Campbell, Moore & Co.	\$10	\$6
Carmichael & Co.	\$20	\$3
China Sugar	\$100	\$106, sales
Dakin, Cruick's & Co.	\$5	\$1, buyers
Dairy Farm Co.	\$10	\$5
Fenwick & Co., Geo.	\$25	\$27, sales & sellers
Green Island Cement	\$10	\$17½, sales
H. & China Bakery	\$50	\$30
Hongkong & C. Gas	£10	\$110, buyers
Hongkong Electric	\$8	\$6.75, buyers
H. H. L. Tramways	\$100	\$96
Hongkong Hotel	\$50	\$28½, sales
Hongkong Ice	\$25	\$106, ex. div.
H. & K. Wharf & G.	\$50	\$53½, sal. & buyers
Hongkong Rope	\$50	\$126, sellers
H. & W. Dock	\$125	191 p. ct. prem. = \$363.75, sales
Insurance.		
Canton	\$50	\$200, sellers
China Fire	\$50	\$95, sellers
China Traders	\$25	\$78½, sales & buyers
Hongkong Fire	\$50	\$331, buyers
North-China	£25	Tls. 195, sellers
Straits	\$20	\$27, sellers
Union	\$25	\$235, sellers
Yangtze	\$60	\$146½, sales
Land and Building.		
H. Land Investment	\$50	\$73, ex. div. sales
Humphreys Estate	\$10	\$9, sellers
Kowloon Land & B.	\$30	\$17
West Point Building	\$40	\$18
Luzon Sugar	\$100	\$67, sales & sellers
Mining.		
Charbonnages	Fcs. 500	72½
Jelebu	\$5	\$2.90, sales
New Balmoral	\$3	\$2.50, sellers
Oliver's Mines, A.	\$5	\$7, sellers
Do. B.	\$2½	\$3.50, sellers
Punjom	\$4	\$11.25, sales
Do. Preference	\$1	\$3.70, sales
Rauls	13s. 10d.	\$5.35
Steamship Coys.		
China and Manila	\$50	\$73, sellers
China Mutual Ord.	£5	£3, sellers
Do. Preference	£10	£8 10, sales & sellers
Douglas S. S. Co.	\$50	\$65.50, sellers
H. Canton and M.	\$15	\$34, sales & sellers
Indo-China S. N.	£10	\$53½, sellers
Wanchai Wareh'ee Co.	\$37½	\$46
Watson & Co., A. S.	\$10	\$12.50, sal. & sellers

CHATER & VERNON, Share Brokers.

SHANGHAI, 24th July.—(From Messrs. J. P. Bisset & Co.'s report.)—Business has not been very brisk during the week, but Hongkong and Shanghai Bank shares have improved since the result of the half year's working has been made public. Banks.—Hongkong and Shanghai Banking Corporation.—Business was done on the 17th at 183 per cent. premium, but shares have since been placed at 185 locally and 187 to Hongkong. Shares are wanted at these rates at the close, with no sellers unless at higher prices. National Bank shares are offering at \$28½. There is no change in Bank of China shares. Shipping.—There is no business reported under this head. Indo-China S. N. shares are weak with sellers. Hongkong, Canton and Macao Steamboat shares are wanted at \$33½. Douglas Steamship shares are offering, in Hongkong, at \$66. Docks.—Boyd & Co., Ltd.—Shares have been in demand, and sales are reported at Tls. 207½, Tls. 210, and Tls. 212½, cum dividend. Shares in S. C. Farnham & Co have been sold at Tls. 210, and are offering. Marine Insurance.—China Traders shares have been placed at \$79. North China shares were placed at Tls. 195, but were afterwards forced off at Tls. 192½. Yangtze shares have been the medium of business at \$145 to Hongkong, and locally at \$140 for cash, \$140 to 142½ for August, and \$147½ for September. Straits shares were sold at \$26.75 for cash. Fire Insurance.—Hongkong are offering at \$335. Chinas have changed hands at \$96 and \$97 for 31st July. Wharfs.—Shanghai & Hongkew Wharf shares have been placed at Tls. 125. Hongkong & Kowloon Wharf and Godown shares have been sold at \$52 locally

and \$53 to Hongkong. The Hongkong quotation is now \$54 with sellers. Mining.—Ragb Australian Gold Mining shares have been placed at \$5.50. Tugs and Cargo Boats.—Taku Tug and Lighter shares have been sold at Tls. 115 cum the interim dividend of 7 per cent., paid yesterday. Sugars.—Business has been confined to Perak Sugar Cultivation shares at Tls. 44 and Tls. 43. China Sugar Refining shares are offering from Hongkong at \$111. Lands.—Shanghai Land Investment shares, with Tls. 50 paid up, and carrying dividend on Tls. 80, were sold at Tls. 80. The dividend of 4 per cent. was paid on the 20th instant. Hongkong Land Investment shares are offering at \$73½, cum the interim dividend of 1 per cent. due on the 27th current. Industrial.—Ewo Cotton shares changed hands at Tls. 87½. Miscellaneous.—Shanghai-Sumatra Tobacco shares were sold at Tls. 92½ and Tls. 91, and Shanghai-Langkai Tobacco shares at Tls. 605/600 cash, Tls. 650 for the 31st current Tls. 650 for September, Tls. 650 and Tls. 700 for December, and Tls. 750 for March.

TONNAGE.

HONGKONG, 29th July.—Our freight market continues depressed and the demand for coastwise tonnage remains very limited. From Saigon two or three charters for Java at low rates have been effected, but for Hongkong there is no enquiry for tonnage. Bangkok to this steamers are not wanted and there does not appear to be enough cargo for the regular liners. From Java to this tonnage is not wanted. Japan coal freights: Two settlements Moji to this are reported at \$1.20 and tonnage has been offered at a slightly lower figure. Moji to Singapore may be quoted at \$1.75 and at this figure further business may be done. From Newchwang to Canton nothing has been done and there seems to be little or no enquiry. In sail freights there has not been much doing, vessels not being much in demand for New York, while for San Francisco charterers remain unable to offer sufficient inducement for a ship to face the loading. For Callao a small ship has been fixed at a fair rate.

There are four vessels disengaged in port, registering 6,406 tons.

The following are the settlements:—

Savona—British ship, 1,583 tons, proceeds to Manila under orders from owners.
Sonora—Norwegian barque, 553 tons, Hongkong to Callao, £1,400.
Sullberg—Norwegian steamer, Moji to Hongkong, \$1.25 per ton.
Amara—British steamer, 1,566 tons, Moji to Hongkong, \$1.20 per ton.
Onang—British steamer, 1,787 tons, Moji to Hongkong, \$1.20 per ton.
Gloucester City—British steamer, 1,409 tons, Moji to Singapore, \$1.75 per ton.
Benlarig—British steamer, 1,453 tons, Hongkong to Wuhu, \$1.75 per ton.
Argyll—British steamer, 1,586 tons, Takao to Yokohama (part cargo), 14 cents per picul.
Wuhu—British steamer, 1,250 tons, Saigon to Sourabaya (part cargo), 17 cents per picul.
Shantung—British steamer, 1,335 tons, Saigon to Sourabaya (part cargo), 18 cents per picul.
Vorwarts—German steamer, 643 tons, Saigon, Iloilo, Cebu, Hongkong, 30 cents per picul.
Chusan—German steamer, 719 tons, Saigon, Iloilo, Hongkong, \$5,100.
Shelley—British steamer, 1,267 tons, hence to Saigon, thence to Singapore, back to Saigon and thence to Sourabaya, private terms.
Siam—British steamer, 992 tons, Iloilo to Hongkong, 11 cents per picul.
Amigo—German steamer, 822 tons, Mantung to Penang, 20 cents per picul.
Martha—German steamer, 1,560 tons, Mantung to Singapore, \$4,200.
Hupei—British steamer, 1,846 tons, hence to Pacific Coast and back, private terms.
Donar—German steamer, 1,202 tons, hence to Mauritius and back, monthly, \$4,600.
Tedartos—German steamer, 1,575 tons, monthly, 6 months, private terms.
Picciola—German steamer, 875 tons, monthly, 3 months, private terms.

VESSELS ON THE BERTH.

For LONDON.—*Monmouthshire* (str.), *Sunda* (str.), *Borneo* (str.), *Bengloe* (str.), *Orestes* (str.), *Kupletela* (str.).
 For MARSEILLES.—*Maria Rickmers* (str.), *Ernest Simons* (str.).
 For BREMEN.—*Sachsen* (str.).
 For HAVRE.—*Oceanic* (str.).
 For VICTORIA.—*Olympia* (str.), *Hupei* (str.).
 For SAN FRANCISCO.—*City of Rio de Janeiro* (str.), *Socotra* (str.), *Gaelic* (str.).
 For VANCOUVER.—*Empress of China* (str.).

For NEW YORK.—Com. T. H. Allen, Manuel Llaguno, Charles E. Moody, Strathnevis (str.), Paul Bevere.

For PORTLAND.—Chitlagong (str.).

For BALTIMORE.—Isaac Reed.

For AUSTRALIA.—Chingtu (str.).

SHIPPING.

ARRIVALS AND DEPARTURES SINCE LAST MAIL.

HONGKONG.

July—

ARRIVALS.
22, Polyphemus, British str., from Shanghai.
22, Hailoong, British str., from Tamsui.
22, Hanoi, French str., from Haiphong.
22, Independent, German str., from Canton.
22, Wingsang, British str., from Canton.
22, Canton, British str., from Shanghai.
22, Daphne, German str., from Singapore.
22, Mathilde, German str., from Pakhoi.
22, Triumph, German str., from Pakhoi.
22, Vorwaerts, German str., from N'chwang.
22, Grafton, British cruiser, from London.
22, Brand, Norw. str., from Moji.
23, Pakhoi, British str., from Canton.
23, Loosok, British str., from Saigon.
23, Oceana, German str., from Kobe.
23, Fooksang, British str., from Wuhu.
23, Cosmopolit, German str., from Manila.
23, Palawan, British str., from Japan.
23, Benvenue, British str., from London.
23, Doris, German str., from Canton.
23, Formosa, British str., from London.
23, Tailee, German str., from Hongay.
23, Tyr, Norwegian str., from Moji.
24, Ask, Danish str., from Haiphong.
24, Namoa, British str., from Coast Ports.
24, Olympia, British str., from Tacoma.
25, Onsang, British str., from Singapore.
25, Kwanglee, Chinese str., from Canton.
25, Canton, British str., from Canton.
25, Changsha, British str., from Kobe.
25, Hoihow, British str., from Canton.
25, Mirzapore, British str., from Bombay.
25, Formosa, British str., from Tamsui.
25, Azamor, British str., from Kutchinotzu.
25, Menmuir, British str., from Sydney.
25, Mongkut, British str., from Bangkok.
25, Nanshan, British str., from Manila.
25, Vorwaerts, German str., from Canton.
26, Congella, British str., from Port Natal.
26, Kiangnan, Chinese str., from Pakhoi.
26, Nanyang, German str., from Canton.
26, Wuhu, British str., from Moji.
26, Yuensang, British str., from Manila.
26, Bisaguo, Italian str., from Bombay.
27, City of Rio de Janeiro, Amr. str., from San Francisco.

27, Benlomond, British str., from Amoy.
27, Phra Nang, British str., from Bangkok.
27, Progress, German str., from Quinhon.
27, Tantalus, British str., from Liverpool.
27, Choysang, British str., from Swatow.
27, Chelydra, British str., from Calcutta.
27, Bombay, British str., from London.
27, Chiyuen, Chinese str., from Shanghai.
27, Shantung, British str., from Bangkok.
27, China, German str., from Saigon.
27, Oslo, Norwegian str., from Bangkok.
27, Ancona, British str., from Yokohama.
28, Haitan, British str., from Coast Ports.
28, Pekin, British str., from Shanghai.
28, Tailee, German str., from Canton.
28, Sachsen, German str., from Bremen.
28, Cromarty, British str., from Singapore.
28, Loyal, German str., from Bangkok.
28, Balmoral, British str., from Moji.
28, Elax, British str., from Singapore.
28, Keongwai, British str., from Bangkok.
29, Ask, Danish str., from Hoihow.
29, Fooksang, British str., from Canton.
29, Lyeemoon, German str., from Shanghai.
29, Taiyuan, British str., from Sydney.
29, Apenrade, German str., from Saigon.
29, Lyeemoon, German str., from Canton.

July—

DEPARTURES.

22, Empress of Japan, Brit. str., for V'couver.
22, Melbourne, French str., for Europe.
22, Taichow, British str., for Bangkok.
22, Annandale, British str., for Kobe.
22, Canton, British str., for Canton.
22, Coptic, British str., for San Francisco.
22, Feiching, British str., for Shanghai.
22, Gloucester City, British str., for Moji.
22, Hongkong, French str., for Pakhoi.
22, Decima, German str., for Saigon.
23, Chowfa, British str., for Bangkok.

23, Chusan, German str., for Saigon.
23, Dante, German str., for Amoy.
23, Daphne, German str., for Shanghai.
23, Fooksang, British str., for Canton.
23, Kachidate Maru, Jap. str., for K'chinotzu.
23, Polyphemus, British str., for London.
23, Vorwaerts, German str., for Canton.
23, Wingsang, British str., for Shanghai.
23, Independent, German str., for Chefoo.
24, Tailee, German str., for Canton.
24, Mathilde, German str., for Hoihow.
24, Hailoong, British str., for Swatow.
24, Hanoi, French str., for Haiphong.
24, Hydaspes, British str., for London.
24, Pakhoi, British str., for Swatow.
25, Doris, German str., for Chefoo.
25, Sintram, American ship, for N. York.
25, Amigo, German str., for Nahrang Bay.
25, Argyll, British str., for Anping.
25, Arratoon Apar, British str., for Calcutta.
25, Ask, Danish str., for Hoihow.
25, Formosa, British str., for Shanghai.
25, Framnes, Norw. str., for Sydney.
25, Hinsang, British str., for Singapore.
25, Hoihow, British str., for Swatow.
25, Palawan, British str., for London.
25, Senta, British str., for Yokohama.
26, Denlarig, British str., for Hongay.
26, Cassius, German str., for Singapore.
26, Mirzapore, British str., for Shanghai.
26, Oceana, German str., for Hamburg.
26, Vorwaerts, German str., for Saigon.
26, Triumph, German str., for Hoihow.
27, Æolus, British cruiser, for K'notzu.
27, Benvenue, British str., for Kobe.
27, Cosmopolit, German str., for Amoy.
27, Kwanglee, Chinese str., for Shanghai.
27, Namoa, British str., for Swatow.
27, Shelley, British str., for Saigon.
28, Chacma, Norw. bark, for Bangkok.
28, Choysang, British str., for Canton.
28, Edgar, British cruiser, for Singapore.
28, Martha, German str., for Mantung.
28, Sabine Rickmers, Ger. str., for Swatow.
28, Benlomond, British str., for London.
28, Canton, British str., for Shanghai.
28, Formosa, British str., for Swatow.
28, Zafiro, British str., for Manila.
29, Chiyuen, Chinese str., for Canton.
29, Tailee, German str., for Hongay.
29, Changsha, British str., for Sydney.

PASSENGER LIST.

ARRIVED.

Per Melbourne, str., for Hongkong from Shanghai—Capt. Daves, Messrs. P. Ychabert, C. Lambton, E. E. Elias, and W. Bevan. From Kobe—Mr. F. Woolf, Mr. and Mrs. Poulain. For Saigon from Shanghai—Messrs. Ferré, Berger, and Gueffelen. From Yokohama—Mr. and Mrs. Montagne and 3 children, Messrs. Fournier and Lourdon. For Singapore from Shanghai—Mr. F. Kanamura. From Yokohama—Mr. Vaughan, Sisters Marie and St. Henri. From Kobe—Mr. Tokama, Mrs. Johigaki, Lieut. Yanagata, Messrs. S. Nagata, S. Minomi, and J. Homa. For Port Said from Shanghai—Lieut. Kimski Rorsokoff, Messrs. D. Nikitine and Schranitcheuko. For Marseilles from Shanghai—Mr. and Miss Moller, Messrs. Baird, Videau, H. Mahiels, C. Chantre, W. F. Carroll, D'hiribarren, Rousseau, and Louvel.

Per Polyphemus, str., from Shanghai, &c.—Mr. Roger and Miss Goodwin.

Per Palawan, str., from Japan—Mrs. R. Harman, Mr. and Mrs. C. A. Pallan and infant, Mr. Eastham, Miss Hogstad, Miss Argvek.

Per Formosa, str., from London—Dr. and Mrs. Deane.

Per Formosa, str., from Coast Ports.—Mr. and Mrs. Sit Song Cook.

Per Mirzapore, str., for Hongkong from London.—Messrs. Henderson, and Wilson. From Singapore.—Mr. Tay Chang Hoe. For Shanghai from London.—Mrs. Golland and child and Mr. and Mrs. King. For Yokohama.—Messrs. S. T. Wawn and S. Harrington. For Shanghai from Brindisi.—Messrs. H. Schnell, and T. A. Ephramus. From Singapore.—Baron Max von Babo.

Per Mongkut, str., from Koh-si-chang—Mr. T. E. Thomson.

Per Congella, str., from Port Natal (S. Africa)—Mr. Symons.

Per Menmuir, str., from Sydney, &c.—Mrs. Brumfield, Mrs. Walker, Messrs. Kerr and Seddon, Mrs. Moner and child, Messrs. Creane and Long Kee.

Per Benlomond, str., from Amoy—Dr. Wingate, Messrs. Mumford, Evans, and Wilson.

Per Chöysang, str., from Swatow—Mr. and Mrs. Dixon, Messrs. Buchanan and Kidd.

Per Pekin, str., from Shanghai for Hongkong.—Messrs. A. S. Crisp and Lieut. de Vitre, R. E. For London.—Messrs. Lewis Plummer and Kaeufer.

Per Sachsen, str., from Bremen, &c.—Mr. and Mrs. O. Hube, Messrs. G. Wieler, J. Blum, Vong A Hock, Ernst Kroneck, W. Friedlander, Johs. Chemnitz, Jürgen Jessen, and F. Betts.

Per Ancona, str., from Yokohama, &c.—Mrs. M. Pell, Mrs. Mompes, two children and infant, and Messrs. Reinold, Sadlive, Smith, J. W. Food, G. Langley, J. H. Clift, J. Blunt, W. Robinson, M. Morley, and Z. Ukita, and Capt. R. P. Simmonds, and Miss Tora Koshiba.

DEPARTED.

Per Preussen, str., from Yokohama for Genoa.—Mr. O. Kleinschmidt. For Southampton—Capt. James Rennie. For Antwerp—Mr. O. Murobara. From Hyogo for Southampton—Mr. and Mrs. H. Hughes. For Antwerp—Mr. A. Kanazawa. For Bremen—Messrs. H. Wiese, C. Linde, A. Olsen, C. Pedersen, C. Fayle, P. Johannssen, P. Olsen, C. Madsen, W. Hier, O. Olsen, N. Nielsen, A. Nils, B. Andersen, S. Swertsen, and C. Nundsen. From Nagasaki for Bremen—Mr. Kuhinsky. For Port Said—Messrs. H. v. Schwarz-Neffe and Tainoff. From Shanghai for Bremen—Messrs. O. Richter, E. Bergmann, Chih Ko, Quang Achung, and Mrs. Kluth. For London—Mr. and Mrs. Wilson, Capt. Saiss. For Genoa—Mr. J. Krame, Capt. Pankow. For Singapore—Messrs. Inchoff and F. Loveland. From Hongkong for Bremen—Mr. O. Wulff. For Southampton—Mr. Richards. For Singapore—Mr. V. Robinson.

Per Melbourne, str., from Hongkong for Saigon—Dr. Yersin. For Singapore—Major Hon. C. Lambton. For Bombay—Mr. Laloo. For Marseilles—Messrs. C. d'A. Pessanha, Abbé Juan Michel, Spada, Arthur Leavy, L. R. James, and W. B. Smith. From Shanghai for Saigon—Messrs. Ferré, Berger, and Quffelen. For Singapore—Mr. F. Kanamura. For Port Said—Messrs. Kimski Rorsokoff, D. Nikitine, and Schranitcheuko. For Marseilles—Mr. and Mrs. Moller, Messrs. Videau, H. Mahiels, C. Chantre, W. F. Carroll, D'hiribarren, Rousseau, Lougel, and Baird. From Yokohama for Saigon—Mr. and Mrs. Montagne and 3 children, Messrs. Fournier and Lourdon. For Singapore—Major-General Vaughan, Sisters Marie, St. Henri, and Novice. From Kobe for Singapore—Mr. Tokama, Mrs. Johigaki, Messrs. H. Yamagata, S. Nagata, S. Mimouri, and J. Homa.

Per Empress of Japan, str., for Amoy—Messrs. Manicus and F. Marshall. For Shanghai—Mrs. A. Knapp, Messrs. Van der Schuyt, W. Rudeloff, Hung Kwei Ting, and Chun Oi Wing. For Nagasaki—Misses E. Caldwell and Hazeland, Mr. T. B. Powell. For Kobe—Miss Bain, Messrs. H. White, Staden, Rev. Ashmore. For Yokohama—Capt. Welman, Mrs. Grant and infant, Mr. and Mrs. S. W. Rosendale, Mrs. and Master Haskell, Messrs. M. D. Sassoon, R. Anderson, Irving, and Kelsall. For Portland, Or.—Mr. B. Irwin, Mr. and Mrs. Chöy Lum. For Philadelphia—Mr. and Mrs. Lee Dick, and Miss A. Ying. For New York—Mr. and Mrs. Chuang Ding, Mr. Lee Foon Shing. For Banff—Mr. F. B. Deacon. For London—Mr. and Mrs. A. P. MacEwen, Misses MacEwen (2), Mr. S. R. Marcus.

Per Coptic, str., for Amoy—Messrs. S. Hara, P. Schabert, and N. Mumford. For Nagasaki—Messrs. K. S. Kiyooka and H. K. Browne. For Kobe—Messrs. R. K. Kimura and M. Kataoka. For Yokohama—Miss N. Clark, Mr. J. E. Stewart. For Panama—Mrs. Lam Kam. For Portland—Rev. H. Taylor and family, and Miss Griffin. For San Francisco—Mr. Lou Foo Kah, Mrs. Quan Yuen and daughter, Mr. S. White. For London—Mr. C. E. Finlason.

Per Polyphemus, str., from Shanghai for London—Mr. Roger, Miss Goodwin. From Hongkong for Singapore—Mr. Wong Hin Tong. For London—Mr. J. A. Hansen.